



Portfolio Review and Recommendations Report for Internal Revenue Service

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SECTION 1

Executive Summary

Executive Summary

- The Internal Revenue Service (IRS) occupies approximately 26.3M rentable square feet (RSF) in campus and non-campus locations with 51% of the portfolio leased and 49% in owned buildings. The total annual rent is approximately \$610 million plus \$52.5 million of operating expenses in delegated buildings with 99% of the portfolio primarily housed in office and related space.
- IRS has been one of the most proactive Agencies initiating several innovative workplace strategies during the past two decades. IRS is targeting 600,000 - 800,000 RSF in space reduction per year through 2020.
- In FY2014, the IRS engagement led to 10 selected high impact opportunities, 9 of which leveraged GSA's Consolidation Fund program estimated to achieve approximately \$12.8 million in annual rent savings and a footprint reduction of approximately 387,000 RSF.
- This year, the Client Portfolio Planning (CPP) program continues to focus on two IRS priorities: 1) access alternative funding opportunities through GSA consolidation funds for IRS footprint reduction efforts and, 2) relocation of IRS leased occupancies into GSA-owned facilities.
- For FY2015, the IRS engagement led to 10 selected high impact opportunities, 8 of which leveraged GSA's Consolidation Fund program and Furniture and IT finance program (FIT). These opportunities are estimated to achieve approximately \$7.0 million in annual rent savings and a footprint reduction of approximately 233,000 RSF.

Executive Summary

Changes to the IRS Strategy in 2015 and 2016

- To improve space utilization and cut rental costs, IRS is implementing a new approach to the management of expiring occupancies that maximizes their reduced space allocation standards, unassigned seating, telework and work at home policies. Going forward, GSA is looking to support IRS' push to reduce the number of IRS offices in metro areas and maximize existing space utilization.
- Many of IRS' largest facilities house IRS Tax Campus operations and present significant opportunities for consolidation but require prospectus level funding. CPP will look to support campus modernization plans and efforts that yield space and cost savings.
- Going forward, reduction project selections will be made considering IRS' limited access to upfront project funding. GSA will work with IRS to maximize returns with minimal IRS investment.

Executive Summary of CPP Opportunities

Summary of FY14 Project Opportunities in Implementation

| Opportunity | Description | Estimated Annual Savings (w/o TI) | Agency Upfront Costs * (Break Even Period) | RSF Reduction |
|--------------------------------------|---|--------------------------------------|---|---------------|
| 1. Vienna, VA Consolidation | Consolidate three leases into GSA leased vacant GSA controlled location at 7980 Science Applications Court | \$0.7M Rent Savings | \$2.7M (9.9 years) | 38,454 |
| 2. Schiller Park, IL Consolidation | Terminate lease at Vernon Hills location and move into leased space at Schiller Park facility | \$0.4M Rent Savings | \$0.4M (1.5 years) | 19,279 |
| 3. Fresno, CA Consolidation | Collapse expiring lease at 1649 Van Ness into the two nearby IRS existing leased locations | \$0.4M Rent Savings | \$0.3M (0.7 years) | 17,400 |
| 4. Laguna Niguel, CA Consolidation | Release space at Chet Holifield Federal Building by repurposing underutilized space and shifting frequent telework employees into hoteling workstations | \$0.9M Rent Savings | \$0.6M (0.8 years) | 32,046 |
| 5. Oakland, CA Right-size | Release space at Ronald Dellums Federal Building by implementing shared workstations to utilize space | \$0.6M Rent Savings | \$1.3M (3.6 years) | 26,373 |
| 6. Atlanta, GA Right-size | Right-size space in order to reduce footprint and IRS utilization rate at Peachtree Summit FB | \$0.8M Rent Savings | \$0.5M (1.1 years) | 67,460 |
| 7. Baltimore , MD Right-size | Release excess space and implement hoteling for frequent telework employees at GH Fallon FB | \$1.0M Rent Savings | \$0.4M (0.5 years) | 50,217 |
| 8. Seattle, WA Consolidation | Consolidate a leased facility into existing owned space in Seattle, WA | \$0.3M Rent Savings | \$0.5M (4.8 years) | 15,164 |
| 9. San Francisco, CA Right-size | Implement flexible workplace strategies to release space at the Phillip Burton FB | \$1.3M Rent Savings | \$1.5M (1.7 years) | 36,798 |
| 10. Manhattan, NY Consolidation | Move half of NY employees into two federal buildings and the other half into two new leased locations to significantly reduce overall rent and RSF | \$6.7M Rent Savings | \$6.3M (1.2 years) | 84,507 |

Executive Summary of CPP Opportunities

Summary of Project Opportunities Added in 2015 Demonstrating GSA and IRS Engagement

| Opportunity | Description | Estimated Annual Savings (w/o TI) | Agency Upfront Costs * (Break Even Period) | RSF Reduction |
|---|--|--------------------------------------|---|----------------|
| 11. Martinsburg, WV Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$3.0M Rent Savings | \$8.5M (5.3 years) | 122,475 |
| 12. Hartford, CT Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$0.8M Rent Savings | \$0.7M (1.8 years) | 30,825 |
| 13. Los Angeles, CA Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$1.0M Rent Savings | \$0.4M (0.5 years) | 20,138 |
| 14. Holtsville, NY Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$1.4M Rent Savings | \$0.7M (0.5 years) | 34,470 |
| 15. Raleigh, NC Lease Consolidation | Consolidate two leases into a single smaller new requirement | \$0.1M Rent Savings | \$1.0M (13.1 years) | 11,121 |
| 16. Nashville, TN Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$0.6M Rent Savings | \$0.9M (2.2 years) | 16,885 |
| 17. Miami, FL Owned Contraction Consolidation | Down size in place Federal Building | \$0.5M Rent Savings | \$1.9M (5.1 years) | 17,296 |
| 18. Ogden, UT Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$0.3M Rent Savings | \$1.9M (11.8 years) | 1,272 |
| 19. Reno, NV Leased to Owned Consolidation | Relocate Lease into Federal Building Occupancy | \$0.3M Rent Savings | \$0.4M (2.6 years) | 6,286 |
| 20. Honolulu, HI Leased Contraction Consolidation | Relocate Lease into Federal Building Occupancy | \$0.4M Rent Savings | \$0.1M (0.3 years) | 6,728 |
| 2014 Implementation Opportunities | | \$13.1M Rent Savings | \$14.5M | 387,698 |
| 2015 New Opportunities | | \$8.4M Rent Savings | \$16.5M | 267,496 |
| Opportunities To Date | | \$21.5M Rent Savings | \$31.0M | 655,194 |

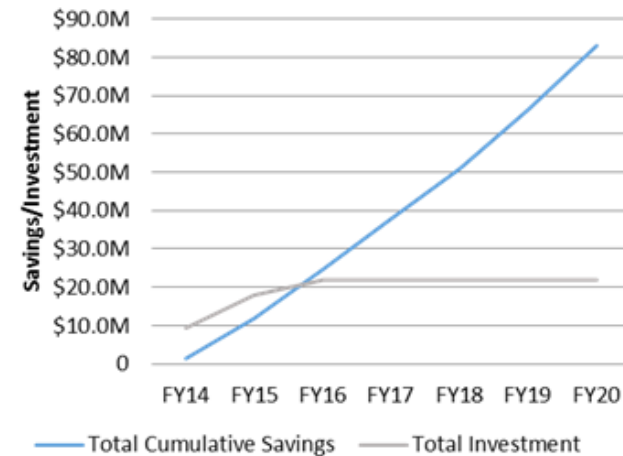
*GSA costs of \$42.6M in addition to Agency Upfront Costs

Executive Summary (continued)

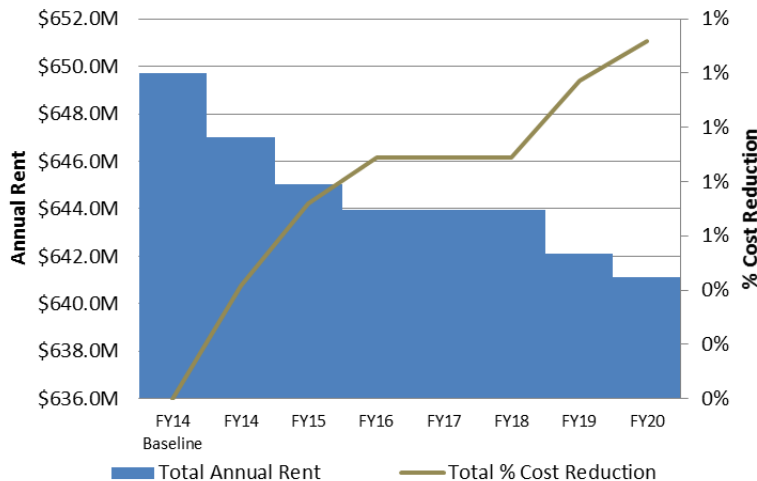
The projected results and expected timelines for FY14 and FY15 opportunities in this PR3 are as follows:

- Cumulative lease savings of \$83M by FY2020
- RSF reduction of approximately 655K RSF, 2.5% of total portfolio footprint
- Required Agency investment cost of approximately \$31.0M
- Space savings do not equate exactly to budget reductions*

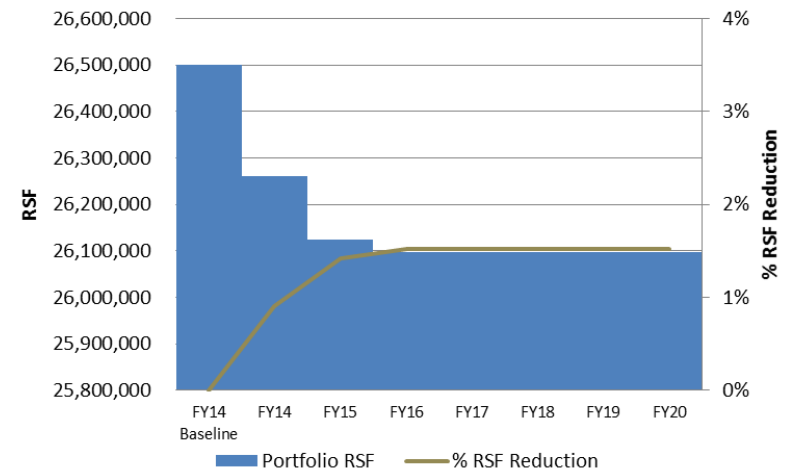
Cumulative Savings (w/TI) vs. Agency Upfront Costs



Cost Savings Impact of CPP Opportunities By FY of Completion



RSF Savings Impact of CPP Opportunities By FY of Completion





SECTION 2

Outcomes Achieved

FY14 Outcomes Achieved: IRS 450 Golden Gate, San Francisco Right-Size



QUICK FACTS

Portfolio Snapshot

26.5M RSF
\$650 M rent roll
56% leased space
44% owned space
Space Use
99% Office space
1% Warehouse
National UR Goal: 150

Background:

- The IRS has recently issued a National Workplace Standard (NWS) to improve flexibility for organizational space changes (expansion and contraction) and improve space utilization. The objective is a transformative workplace where space sharing is achieved through an "out-of-office" work culture, combined with convergence technologies (phone, data, voice) to effect footprint reductions and rental savings. IRS is implementing the NWS to achieve an aggressive space reduction within their national real estate portfolio.
- In December 2012, IRS approached GSA R9 leadership to introduce NWS and to identify a "Proof of Concept" implementation project. Space on the 6th and 7th floors at the Phillip Burton Federal Building & U.S. Courthouse in San Francisco was identified. The space was dated with obsolete and miss-matched furniture systems, underutilized spaces, (large raised floor computer rooms, storage rooms) and old data and telephone systems.
- The space housed 306 IRS personnel with a UR of 248 USF/person in 94,996 RSF. IRS' goal was to achieve 152 USF/person.

Action: Right-Size in Federal Space

- GSA and IRS partnered on a design concept in Spring 2013. Project challenges included compressed schedule, limited construction budget and identifying swing space to allow for alterations in the space to be retained.
- With a preliminary independent government estimate (IGE) and funding from IRS in place, the design contract was awarded in November 2013 and the construction contract was awarded in June 2014. To offset upfront funding, GSA FIT program was utilized for the purchase of furniture and a demountable wall system replacing traditional wall construction.
- In late September 2014 the project was completed, successfully achieving significant reductions in footprint, rent and UR.

Results:

- IRS and GSA successfully implemented the "Proof of Concept" right-sizing project, reducing the IRS footprint by 29,433 USF, saving \$1.0M in annual rent, and improving UR from 248 USF to 153 USF / person.
- The overall project cost of \$2.88M translated into a break-even of 2.9 years. The IRS project was the first in the region to use GSA's Furniture and IT (FIT) Program to offset initial project costs.

| | Action | Start (End) Date | Annual Rent (w/ TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/person) | GHG Emissions (Tons) |
|--|------------|------------------|---------------------|----------------------|----------------|----------------|-----|-------------------------|----------------------|
| Baseline | | 1Q FY14 | \$3.1M | \$3.1M | 94,996 | 75,984 | 306 | 248 | 1,045 |
| Target | Right-Size | 4Q FY14 | \$2.3M | \$1.8M | 58,198 | 46,551 | 306 | 152 | 645 |
| | | | Cost / (Benefit): | (\$1.3M) | (36,798) | (29,433) | N/A | (96) | (400) |
| | | | % Improvement: | (39%) | (39%) | (39%) | 0% | (39%) | (39%) |
| Savings Achieved to Date (% of Target Savings) | | | | \$1.0M (33%) | (36,364) (38%) | (29,093) (38%) | N/A | (95) (38%) | 405 (39%) |



NAT'L QUICK FACTS

Portfolio Snapshot

26.5M MSF
\$650 M rent roll
44% Owned space
56% Leased space

Space Use

99% office space
1% other space
National UR Goal:
100 - 170 based on facility size

Background

- IRS is implementing National Workplace Design Standards, as they face fiscal constraints, provide more services online, and implement more mobile working. IRS no longer needs as much office space.
- To align to footprint goals, IRS decided to move all 31 employees from the Vernon Hills location into Schiller Park, and also reduce their current square footage at Schiller Park. No federal buildings are locally available.
- Schiller Park already houses 200 IRS employees; the market rate is \$ 28.17. Moving the Vernon Hills staff was the smart choice.

Action: Leased to Leased Consolidation

- GSA worked closely with both locations' lessors, ensuring the facilities were weekend-move optimized; and partnered with IRS to ensure a security escort to safeguard confidential documents.
- Moving into Schiller Park, GSA negotiated mutually fair rates, and closely managed safety provisions (MSDS sheets) on the demising wall. This protected IRS staff from fumes, odors, and other construction-related concerns. The move itself was preceded by several planning meetings, resulting in a well-executed experience.
- Most significant challenge involved negotiating difference in Schiller Park Lessor's interpretation of "marketable" as she believed GSA should replace all corridor carpet, sprinkler system, install pendant lighting, at a cost of over \$100K (GSA is to "leave corridor marketable"). GSA prevailed, kept communication lines open, with resolution costing a mere \$6,000.

Results

- Total project investment is expected to be \$1.01M with \$520,468 covered by FY14 consolidation funds. Although Phase II (reconfiguration) is underway completing in October 2015, it will not affect achieved savings.
- IRS is quite happy GSA was able to help them release/get the spaces in both Vernon Hills and Schiller Park off their books in their requested time frame. In Vernon Hills, 9,335 RSF was released (on 3/31/15), saving \$170,095 in Annual Rent. In Schiller Park, 10,195 RSF was released, saving \$288,518 in Annual Rent.
- The Office-Only UR will be a goal-achieving 153.

SAVINGS ACHIEVED

| | Action | Start (End) Dates | Annual Rent (w/TI) | Annual Rent (w/o TI) | RSF | USF | HC | Office U/R (USF/person) | GHG Emissions (Tons) |
|--|---------------|-------------------|--------------------|----------------------|---------------|--------------|-----------|-------------------------|----------------------|
| Baseline | | 2Q FY14 | \$1.7M | \$1.7M | 60,165 | 53,273 | 233 | 236 | 662 |
| Target | Consolidation | 3Q FY15 | \$1.4M | \$1.3M | 40,886 | 35,773 | 233 | 153 | 450 |
| Annual TI payment in Rent | | | \$0.1M | (\$0.4M) | (19,279) | (17,500) | (28) | (83) | (212) |
| Number of years being amortized | | | 5 years | (22%) | (32%) | (33%) | (3%) | (35%) | (32%) |
| Savings Achieved to Date (% of Target Savings) | | | | \$458,613 (114%) | 19,530 (101%) | 17,087 (98%) | 28 (100%) | 83 (100%) | 214 (101%) |



NAT'L QUICK FACTS

Portfolio Snapshot

26,5M MSF
\$650 M rent roll
44% Owned space
56% leased space

Space Use

99% office space
1% other space
National UR Goal: 100 -
170 based on facility size

SAVINGS ACHIEVED

Background

- IRS originally occupied 274,918 RSF within the Jackson Federal Building (JFB) in Seattle, WA and desired to consolidate and reduce that space.
- IRS also occupied 10,929 RSF of leased space in the nearby Bank of America Building for its Criminal Investigative Unit (CI Unit). IRS originally wished to renew that lease, which was to expire on 9/30/2014.
- IRS and GSA collaborated to backfill the CI Unit into the JFB; as a cost effective solution in lieu of renewing the lease.

Action: Leased to Owned / Federal Consolidation

- IRS's original plan for their JFB space was to consolidate in place and return 12,427 USF/17,269 RSF on the 23rd floor.
- Plans were revised to retain all but 15 RSF of the original IRS footprint in JFB in order to relocate the CI Unit from the more expensive leased space and incorporate some additional space efficiencies.
- The baseline All-In-UR at both JFB and Bank of America lease was 213 USF/person.

Results

- Benefiting from a strong partnership between IRS and GSA, this project was successfully completed on 10/1/2014 for \$1.5M investment.
- IRS reduced its net space (includes both JFB footprint reduction and lease elimination) by 10,944 RSF
- IRS reduced net rent by \$183,675/year.
- Office-only UR for both locations overall reduced from 213 to 196 USF/person.

| | Action | Start (End) Dates | Annual Rent (w/TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/person) | GHG Emissions (Tons) |
|--|---------------|-------------------|--------------------|----------------------|--------------|--------------|-----------|-------------------------|----------------------|
| Baseline | | 4Q FY13 | \$5.6M | \$5.6M | 285,827 | 209,272 | 981 | 213 | 3,144 |
| Target | Consolidation | 4Q FY14 | \$5.7M | \$5.2M | 270,663 | 194,232 | 1,009 | 196 | 2,977 |
| Annual TI payment in Rent | | | \$0.2M | (\$338)K | (15,164) | (15,040) | (28) | (17) | (167) |
| Number of years being amortized | | | 5 years | (7%) | (5%) | (7%) | (3%) | (8%) | (5%) |
| Savings Achieved to Date (% of Target Savings) | | | | \$184K (46%) | 10,944 (72%) | 10,816 (72%) | 28 (100%) | 17 (100%) | 120 (72%) |

FY15 Outcomes Achieved: IRS 201 Varick Street, NY Consolidation



NAT'L QUICK FACTS

Portfolio Snapshot

26.5M MSF
\$650 M rent roll
44% Owned space
56% Leased space

Space Use

99% office space
1% other space
National UR Goal: 100
- 170 based on facility size

Background

- IRS occupied 182,000 rentable square feet (RSF) in lease at 1133 Avenue of the Americas, NY, NY, expiring on 9/21/14 with annual leasing costs of approximately \$9M.
- The Midtown Manhattan is one of the more expensive markets in NY. GSA and IRS agreed it was in the best interest of the taxpayer to realign and reduce the midtown facility, and backfill space in GSA's inventory.
- IRS worked on regional space reduction alternatives including desk sharing initiatives and plans to relocate the employees at this location to 45,771 RSF of space within several federally owned facilities in Manhattan, 201 Varick Street, 26 Federal Plaza and 290 Broadway.
- This project proposes consolidating approx 31,000 rsf of 45,771 rsf within 201 Varick Street Federal Building.

Action: Leased to Owned Consolidation

- GSA initiated several sub-projects to accommodate the long term IRS space needs relocating from one lease location into three (3) federal occupancies.
- GSA provided swing spaces within 26 Federal Plaza, 290 Broadway and 201 Varick Street to accommodate employees, equipment, and furniture from existing lease location.
- Contingency plans required space at 26 Federal Plaza and swing spaces ready for move prior to lease expiration

Results

- With GSA's support, IRS was able to successfully vacate the 1133 Avenue of Americas lease on time.
- Immediate implications of achieving the major milestone of vacating the lease are the elimination of annual lease rent contract costs of \$9M, and positive impact on lease replacement measure.
- Benefiting from a strong GSA and IRS partnership, this project was successfully completed on or before September 30, 2015 with \$3.5M total investment.
- IRS was complimentary of how well the GSA team worked together on the project. IRS employees are pleased with their new space at 201 Varick.

SAVINGS ACHIEVED

| | Action | Start (End) Dates | Annual Rent (w/TI) | Annual Rent (w/o TI) | RSF | USF | HC | Office U/R (USF/person) | GHG Emissions (Tons) |
|--|--------|-------------------|--------------------|----------------------|----------------|---------------|--------|-------------------------|----------------------|
| Baseline | | 1Q FY14 | \$8,997,161 | \$8,997,161 | 181,654 | 157,960 | 630 | 196 | 1,998 |
| Target | | 4Q FY15 | \$2,295,707 | \$1,862,042 | 45,771 | 35,377 | 630 | 44 | 503 |
| | | | Cost / (Benefit): | (\$7,135,119) | (135,883) | (146,277) | (0) | (152) | (1495) |
| | | | % Improvement: | (79%) | (75%) | (78%) | (0%) | (77.5%) | (26%) |
| Savings Achieved to Date (% of Target Savings) | | | | \$7,135,119 (100%) | 135,883 (100%) | 122,880 (84%) | 0 (0%) | 152 (0%) | 1495 (100%) |



Department of the Treasury
Internal Revenue Service

SECTION 3

Selected FY14 and FY15 Project Opportunities Demonstrating GSA and IRS Engagement



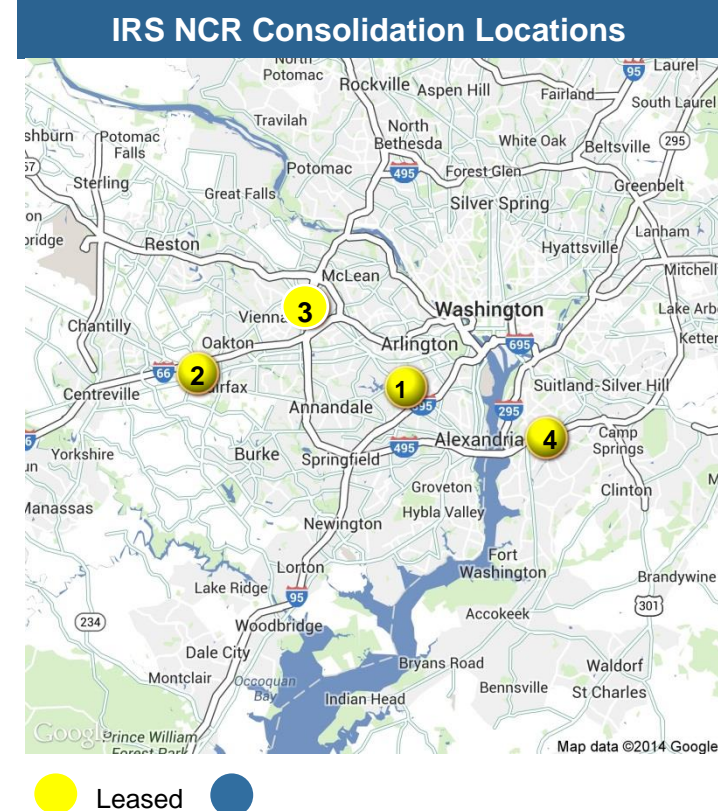
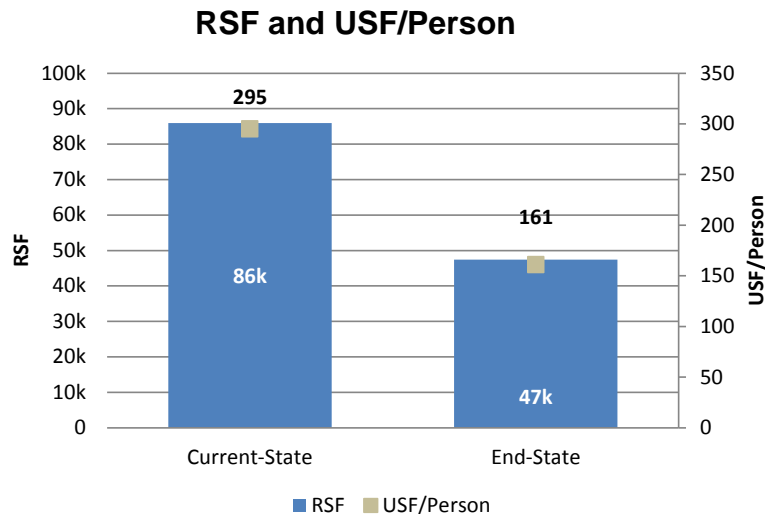
Department of the Treasury
Internal Revenue Service

SECTION 3.1

FY14 Portfolio Opportunities

Vienna, VA | Leased to GSA Lease Consolidation

- IRS currently occupies:
 - 41,770 RSF in a leased location at One Skyline Place, Falls Church, VA, which expires in 2019, with a Government option to terminate January 2016
 - 19,034 RSF at 50/66 Office Plaza, 11166 Main Street, Fairfax, VA, which expires December 31, 2015
 - 99,529 RSF at 6009 Oxon Hill Road, Oxon Hill, MD which expires January 9, 2016 by 25k RSF will be incorporated into Vienna
- There is no existing federally owned space in the area but GSA has vacant leased space in its inventory at 7980 Science Applications Court with seven years left on its contract
- IRS proposes consolidating their 3 leases into Science Applications Court and implement their National Workplace Standards to save rent and reduce their footprint from 86k to 47k RSF



| Building | Owned/Leased | Baseline RSF | \$/RSF | Annual Rent | OA Expiration |
|--|--------------|--------------|---------|-------------|---------------|
| 1. One Skyline Place | Leased | 41,770 | \$35.00 | \$1.5M | 1QFY14 |
| 2. 11166 Main Street | Leased | 19,034 | \$27.65 | \$0.5M | 3QFY14 |
| 3. 7980 Science App Ct (new targeted location for consolidation) | Leased | 79,890 | N/A | N/A | 4QFY21 |
| 4. 6009 Oxon Hill Road | Leased | 25,100 | \$31.33 | \$0.8M | 1QFY16 |

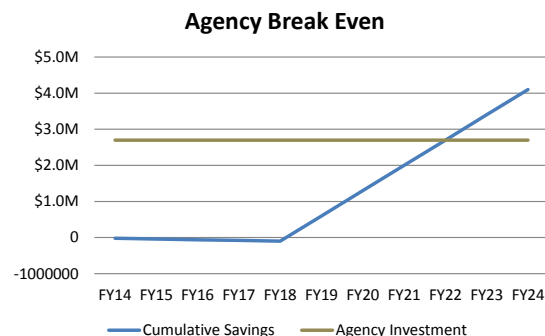
Vienna, VA | Leased to GSA Lease Consolidation

Opportunity Description

- IRS and GSA to consolidate three leases into 47,450 RSF of space GSA currently has vacant in their inventory at 7980 Science Applications Court, Vienna, Virginia
- When complete, this project will eliminate 85,904 RSF of leased space, save IRS over \$600,000 annually in rental costs
- The Utilization Rate will decrease from 295 to 161 showing a net decrease by 46%
- In addition to the \$3.6M in needed build-out costs, the project will also require \$2.6M in additional project costs
- The \$3.6 M build-out costs are funded through the FY14 Consolidation Fund

Potential Benefits

- RSF Reduction: 38,454 RSF (45%)
- Annual Rent Savings: \$0.7M (22%)
- Required Investment: \$6.8M
 - Total Agency Upfront Costs: \$2.7M
 - Total GSA/Lessor Upfront Costs: \$4.1M
- Agency Break Even: 9.9 years



Recommended Next Steps

| Action | Lead | Date |
|----------|------|-------|
| Relocate | GSA | 10/15 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|-------------------------|----------------------|----------|----------|-----|-------------------------|----------------------|
| Baseline | | 2Q FY14 | \$3.0M | \$3.0M | 85,904 | 75,844 | 257 | 295 | 945 |
| Target | Consolidation | 1Q FY16 | \$3.0M | \$2.3M | 47,450 | 41,261 | 257 | 161 | 522 |
| Annual TI Payment in Rent = | | \$0.7M | Cost / (Benefit): | (\$0.7M) | (38,454) | (34,583) | - | (135) | (423) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (22%) | (45%) | (46%) | | (46%) | (45%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-------------|-------------|-------------|-------------|----------------------|------------------------------|-------------------|
| Total | \$3.6M | \$0.5M | \$ 0.8M | \$ 1.1M | \$0.3M | \$0.5M | \$2.7M | \$6.8M | 9.9 years |
| Funding Source(s) | FY14 Consol | FY14 Consol | Agency Int. | Agency Int. | Agency Int. | Agency Int. | | | |

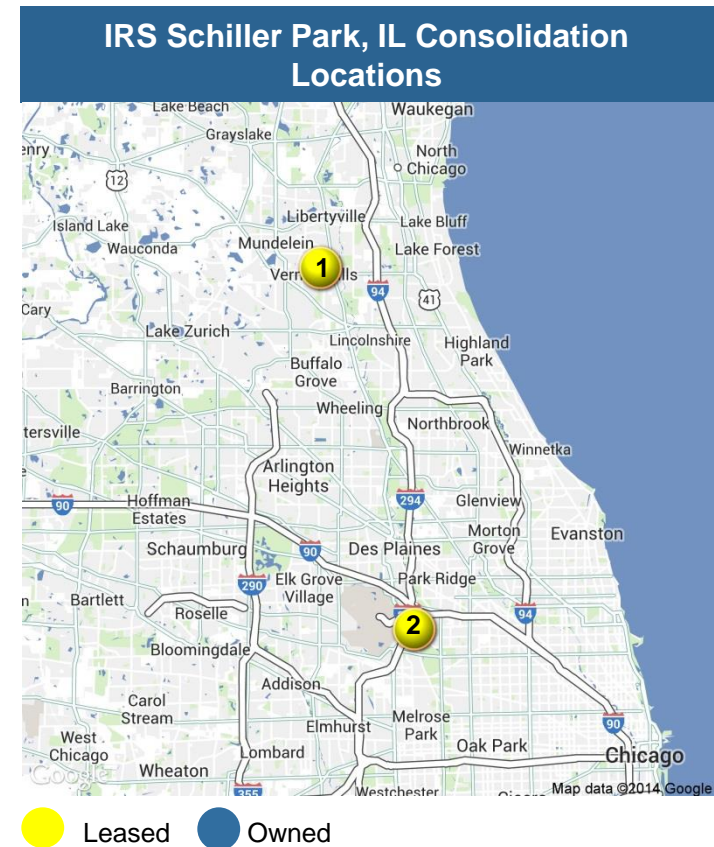
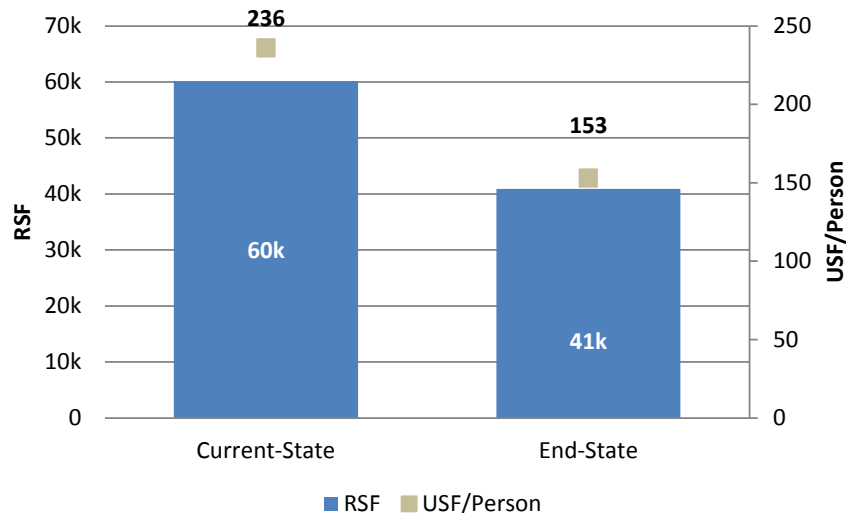
Vienna, VA | Leased to GSA Lease Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|--|------------------------|--------|---|-------|----------|------------------------------------|
| One Skyline Place Lease Exit | Lease Exit | NCR | Move to consolidation facility at 7980 Science Applications Court | 10/13 | 10/15 | Move planning |
| 11166 Main Street Lease Exit | Lease Exit | NCR | Move to consolidation facility at 7980 Science Applications Court | 10/14 | 10/15 | Move planning |
| 7980 Science Applications Court Consolidation into Owned | Leased Reconfiguration | NCR | Design and construct high density facility for consolidation from three locations | | 10/15 | Design |
| 6009 Oxon Hill Road Lease Exit | Lease Exit | NCR | Move to consolidation facility at 7980 Science Applications Court | 10/14 | 10/15 | Move Planning |
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Schiller Park, IL | Leased to Leased Consolidation

- IRS currently occupies two leased locations in the Schiller Park, IL area
- The larger of the two occupancies, 5100 River Road, is a long-term position that expires in FY19 with 50,830 RSF
 - IRS determined it can optimize space at this location
- IRS also occupies 9k RSF at 945 Lakeview Park in nearby Vernon Hills, which expires on 06/30/2015
- Agency target is to reduce footprint from 60k to 41k RSF

RSF and USF/Person



| Building | Owned/Leased | RSF | \$/RSF | Annual Rent | OA Expiration |
|-------------------------|--------------|--------|---------|-------------|---------------|
| 1. 945 Lakeview Parkway | Leased | 9,335 | \$20.02 | \$187k | 2QFY15 |
| 2. 5100 River Road | Leased | 50,830 | \$30.41 | \$1.55M | 1QFY19 |

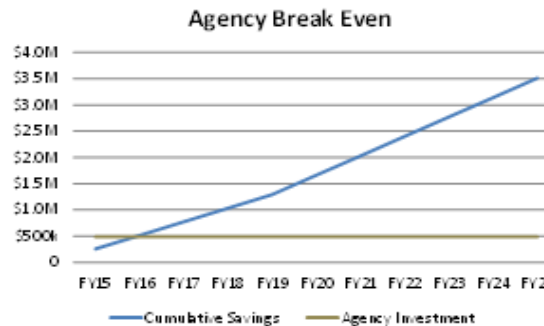
Schiller Park, IL | Leased to Leased Consolidation

Opportunity Description

- IRS will terminate 9,335 RSF at the Vernon Hills, IL location; this lease is currently out of the firm term and expires on 6/30/2015
- IRS will release 9,944 RSF from the Schiller Park lease; this lease is still within the firm term until 1/31/2016
- This project will save the taxpayer approximately \$450,000 annually in government leasing costs and will save IRS over \$370,000 annually in rental costs

Potential Benefits

- RSF Reduction: 19,279 RSF (32%)
- Annual Rent Savings: \$0.4M (22%)
- Required Investment: \$0.9M
 - Total Agency Upfront Costs: \$0.4M
 - Total GSA/Lessor Upfront Costs: \$0.5M
- Agency Break Even: 1.5 years



Recommended Next Steps

| Action | Lead | Date |
|-----------|------|------|
| Completed | | |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|-------------------------|----------------------|---------------|--------------|-----------|-------------------------|----------------------|
| Baseline | | 2Q FY14 | \$1.7M | \$1.7M | 60,165 | 53,273 | 233 | 236 | 662 |
| Target | Consolidation | 3Q FY15 | \$1.4M | \$1.3M | 40,886 | 35,773 | 233 | 153 | 450 |
| Annual TI Payment in Rent = | | \$0.1M | Cost / (Benefit): | (\$0.4M) | (19,279) | (17,500) | - | (83) | (212) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (22%) | (32%) | (33%) | | (35%) | (32%) |
| Savings Achieved to Date | | | | \$458,613 (114%) | 19,530 (101%) | 17,087 (98%) | 28 (100%) | 83 (100%) | 214 (101%) |

OPPORTUNITY INVESTMENT DATA

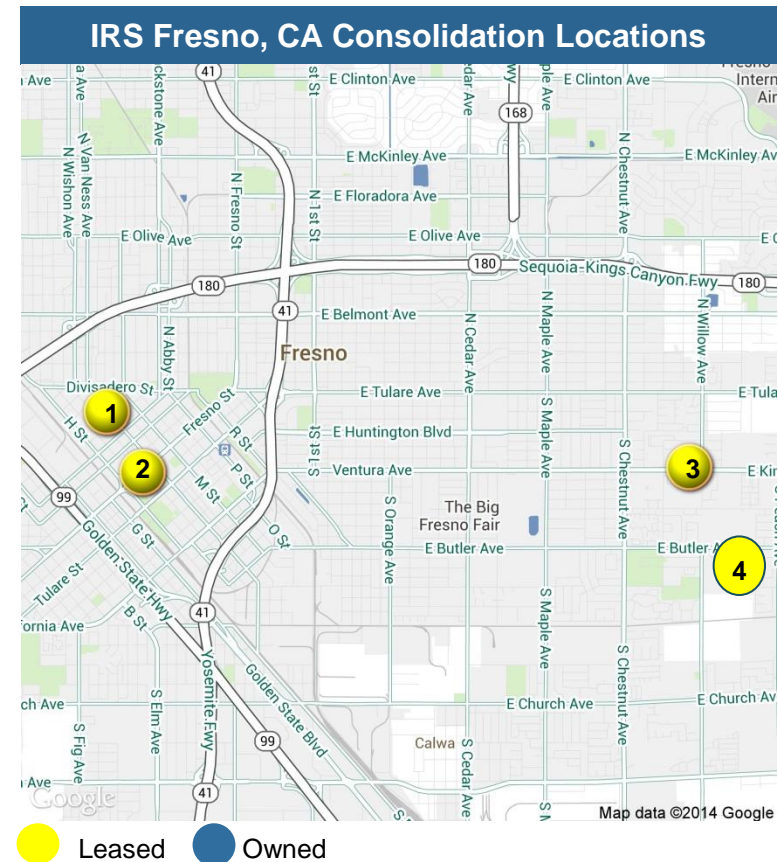
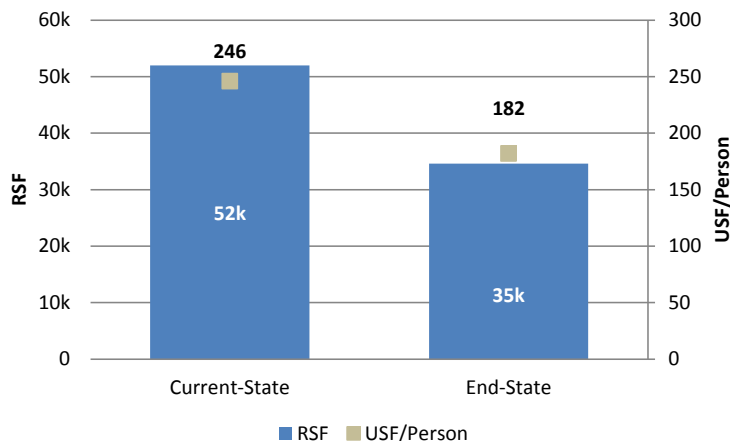
| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|-------------|--------|------------------|----------------------|------------------------------|-------------------|
| Total | \$0.5M | | \$ 33k | \$0.1M | \$0.1M | \$0.2M | \$0.4M | \$0.9M | 1.5 years |
| Funding Source(s) | FY14 Consol | | RWA | Agency Int. | RWA | Agency Int., RWA | | | |

Fresno, CA | Leased to Leased Consolidation

The IRS currently occupies 1.02M RSF in 8 leased locations in Fresno, California

- One lease is located at 1649 Van Ness (17,400 RSF) and expires 12/31/15
- The other leases are longer term:
 - 1171 Fulton Mall expires 6/14/2019
 - 4967 E Kings Canyon Rd expires 7/31/2021
 - 5045 E. Butler Ave expires 11/30/2021
 - 855 M Street expires 9/21/2018
 - 2525 Capitol expires 7/29/2023
 - 1950 G Street expires 4/30/2018
 - 1325 Broadway expires 11/30/2018

RSF and USF/Person



| Building | Owned/ Leased | RSF | \$/RSF | Annual Rent | OA Expiration |
|---------------------------|------------------|---------|---------|-------------|------------------|
| 1. 1649 Van Ness | Leased | 17,400 | \$28.22 | \$0.5M | 1QFY16 |
| 2. 1171 Fulton Mall | Leased | 22,703 | \$36.47 | \$0.8M | 2QFY19 |
| 3. 4967 E Kings Canyon Rd | Leased | 11,879 | \$16.25 | \$0.2M | 3QFY21 |
| 4. 5045 E Butler | Leased | 531,976 | \$15.76 | \$8.4M | 4QFY21 |

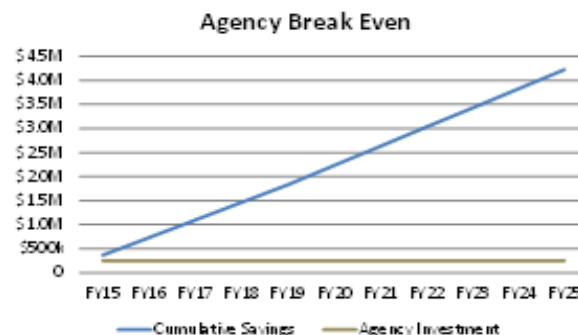
Fresno, CA | Leased to Leased Consolidation

Opportunity Description

- IRS and GSA to collapse 1649 Van Ness into Kings Canyon Pavilion and the Guarantee Savings building prior to lease expiration 12/31/2015
- When complete, this project will eliminate the need for 17,400 RSF of leased space, save the taxpayer \$489,636 annually in government leasing costs and will save IRS \$398,962 annually in rental payments
- Agency break even is approximately 9 months; in addition to the \$154,785 in needed build-out costs, the project will also require \$253,586 in additional project costs

Potential Benefits

- RSF Reduction: 17,400 RSF (33%)
- Annual Rent Savings: \$0.4M (25%)
- Required Investment: \$0.5M
 - Total Agency Upfront Costs: \$0.3M
 - Total GSA/Lessor Upfront Costs: \$0.2M
- Agency Break Even: 0.7 years



Recommended Next Steps

| Action | Lead | Date |
|---|------|----------|
| Complete Construction at the Kings Canyon Building | GSA | Oct 2015 |
| Complete Construction at the Guarantee Savings Building | GSA | Nov 2015 |
| Complete Moves & Terminate Space | GSA | Nov 2015 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|-------------------------|----------------------|----------|----------|-------|-------------------------|----------------------|
| Baseline | | 2Q FY14 | \$1.6M | \$1.6M | 51,982 | 45,935 | 187 | 246 | 572 |
| Target | Consolidation | 2Q FY15 | \$1.2M | \$1.2M | 34,582 | 29,893 | 164 | 182 | 380 |
| Annual TI Payment in Rent = | | \$34k | Cost / (Benefit): | (\$0.4M) | (17,400) | (16,042) | (23) | (64) | (191) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (25%) | (33%) | (35%) | (12%) | (26%) | (33%) |

OPPORTUNITY INVESTMENT DATA

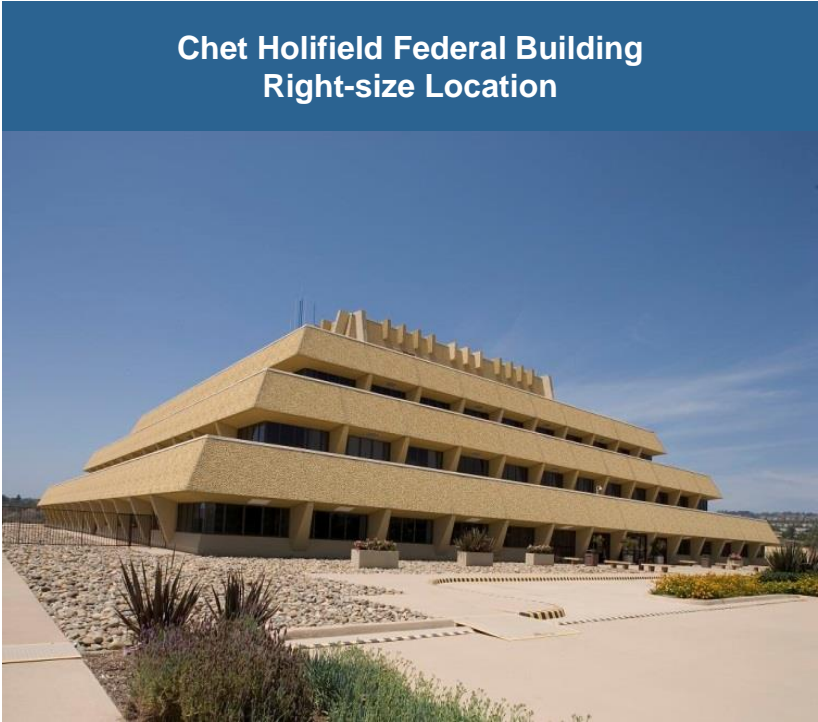
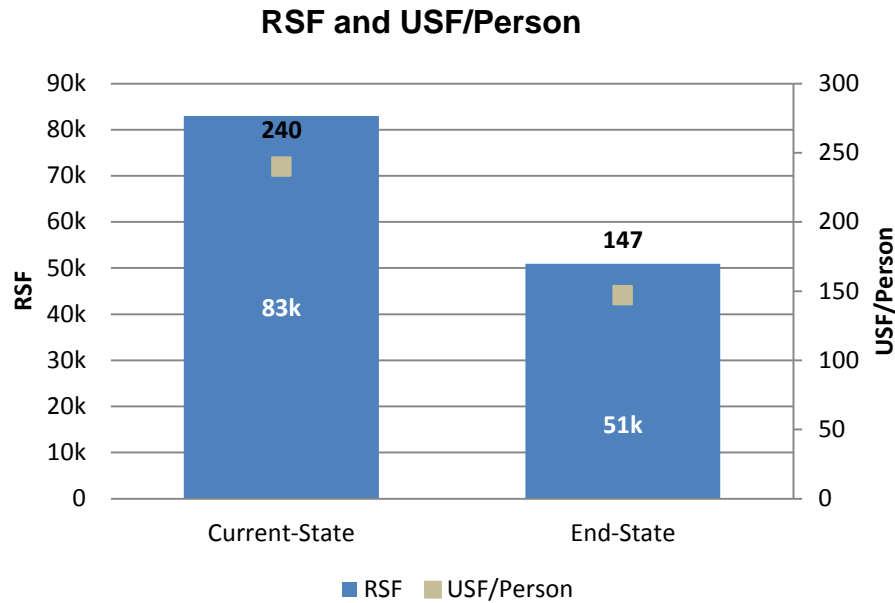
| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-------------|-------------|-------------|-------------|----------------------|------------------------------|-------------------|
| Total | \$0.2M | | \$ 0.1M | \$0.1M | \$21k | \$0.1M | \$0.3M | \$0.5M | 0.7 years |
| Funding Source(s) | FY14 Consol | | Agency Int. | Agency Int. | Agency Int. | Agency Int. | | | |

Fresno, CA | Leased to Leased Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|--|-------------------|--------|--|-------------|---------------|------------------------------------|
| 1649 Van Ness "FDC Building" | Extension | 9 | The existing lease expires 12/31/2014. A 12 month extension with termination rights after 6 months is required in order for the construction to take place at the other 3 buildings that the tenants will move to. | July 2014 | August 2014 | Complete |
| 5045 E. Butler Ave. "Butler Bldg. 5" | Alteration | 9 | The IRS HCO/HQ employees will move from Kings Canyon Rd to Butler. Before the employees move, a new wall must be constructed with a door equipped with an electric strike and card reader. | August 2014 | March 2015 | Complete |
| 4967 E. Kings Canyon Road "KCP Building" | Alteration | 9 | The IRS RICS employees will move from the FDC building to the KCP building. Before the employees move, the power poles must be redistributed at KCP to accommodate 30 workstations that will need to be moved from FDC to KCP. | August 2014 | October 2015 | Construction Phase |
| 1171 Fulton Mall "Guarantee Savings Building" | Alteration | 9 | The IRS CI employees will move from FDC Building to the 11 th Floor. Before the employees move, the TAS employees must move off of the 11 th floor and onto the 9 th , 10 th , and 12 th floors. In order for the TAS employees move, alterations must take place on the 12 th floor for the first phase of the project. The second phase of the project will include alterations on the 11 th floor to accommodate the CI employees. | August 2014 | November 2015 | Construction Phase |
| 1649 Van Ness "FDC Building" | Lease Termination | 9 | Once all of the moves are complete and IRS removes FF&E from 1649 Van Ness, GSA will terminate the lease. | June 2015 | November 2015 | Execution Phase |

Laguna Niguel, CA | Right-size

- IRS currently occupies 206,000 RSF in the Chet Holifield Federal Building in Laguna Niguel, CA with a rent totaling \$5.7M annually
- IRS and GSA have identified space utilization inefficiencies within the existing footprint and may be able to optimize the footprint with improved workplace standards
- Agency target is to reduce footprint in a 83k RSF area by 32k RSF, improving space utilization in new area from 240 to 147 USF/Person



| Building | Owned/ Leased | RSF | Annual Rent | OA Expiration |
|----------------|------------------|--------|-------------|------------------|
| 24000 Avila Rd | Owned | 82,953 | \$2.7M | N/A |

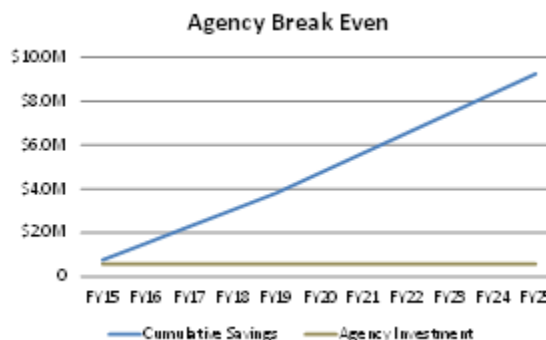
Laguna Niguel, CA | Right-size

Opportunity Description

- IRS and GSA to right-size the existing footprint in Laguna Niguel
- IRS to release approximately 32,046 RSF of space in various locations on the third floor
- The project includes repurposing an underutilized large computer room and shifting frequent telework employees into hoteling workstations
- The project will save IRS \$905,778 annually in rental payments with an agency break even of 8 months
- Utilization Rate will improve from 240 to 147 USF / person showing a net decrease by 39%
- In addition to the \$673,780 in needed build-out costs, the project will also require \$569,943 in additional project costs

Potential Benefits

- RSF Reduction: 32,046 RSF (39%)
- Annual Rent Savings: \$0.9M(34%)
- Required Investment: \$1.3M
 - Total Agency Upfront Costs: \$0.6M
 - Total GSA/Lessor Upfront Costs: \$0.7M
- Agency Break Even: 0.8 years



Recommended Next Steps

| Action | Lead | Date |
|---|------|-----------|
| Draft OA will be revised after receiving DIDs | GSA | Completed |
| Construction Award | GSA | 9/15 |
| Project "Kick-off" | GSA | 10/15 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|-------------------------|----------------------|----------|----------|------|-------------------------|----------------------|
| Baseline | | 2Q FY14 | \$2.7M | \$2.7M | 82,953 | 66,558 | 277 | 240 | 912 |
| Target | Consolidation | 4Q FY17 | \$1.9M | \$1.8M | 50,907 | 40,846 | 277 | 147 | 560 |
| Annual TI Payment in Rent = | | \$145k | Cost / (Benefit): | (\$0.9M) | (32,046) | (25,712) | (0) | (93) | (353) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (34%) | (39%) | (39%) | (0%) | (39%) | (39%) |
| | | | | | | | | | |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|-------------|-------------|-----------------|----------------------|------------------------------|-------------------|
| Total | \$0.7M | | | \$ 0.2M | \$47k | \$0.4M | \$0.6M | \$1.3M | 0.8 years |
| Funding Source(s) | FY14 Consol | | | Agency Int. | Agency Int. | Agency Int, RWA | | | |

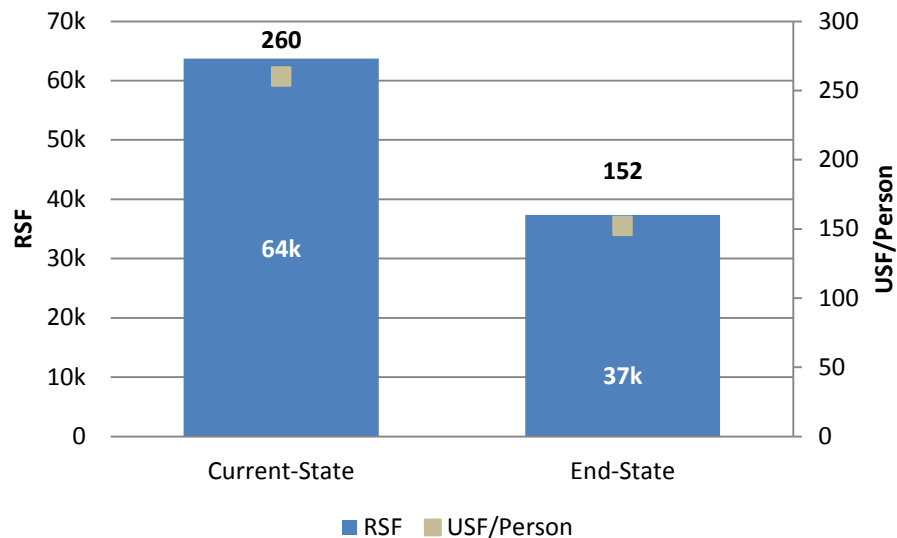
Laguna Niguel, CA | Right-size

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|----------------|--------------|--------|---------------------|------------|----------|------------------------------------|
| 24000 Avila Rd | Right-size | 9 | Right-size in place | March 2015 | 2017 | Design Complete |
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Oakland, CA | Right-size

- IRS currently occupies 276,841 RSF in the Ronald Dellums Federal Building in Oakland, CA with an annual rent of \$7.9M
- The location has been identified as underutilized with an average utilization rate of 260 USF/Person
- Through optimized workplace standards and shared workstations, there is a potential opportunity to release space at this federal building to improve utilization and reduce annual rent
- Agency intends to reduce footprint in a 64k RSF area by approximately 26k RSF

RSF and USF/Person



Ronald Dellums FB Right-size Location



| Building | Owned/ Leased | RSF | Annual Rent | OA Expiration |
|------------------|------------------|--------|-------------|------------------|
| 1301 Clay Street | Owned | 64,000 | \$2.2M | N/A |

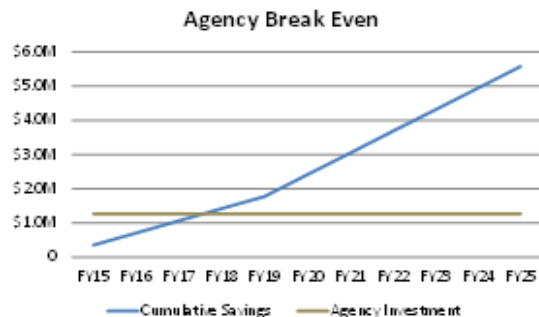
Oakland, CA | Right-size

Opportunity Description

- IRS and GSA propose a space reduction by releasing 26,373 RSF
- This optimization will be possible by moving employees to the 8th and 9th floors, and implementing shared workspaces
- This project will impact 137 of the 875 employees located in Dellums and will reuse current furniture where needed
- The project will save IRS \$634,374 annually in rental payments with a tenant payback of 3.6 years
- Utilization Rate will decrease from 260 to 152 showing a net decrease by 41%

Potential Benefits

- RSF Reduction: 26,373 RSF (41%)
- Annual Rent Savings: \$0.6M (29%)
- Required Investment: \$2.6M
 - Total Agency Upfront Costs: \$1.3M
 - Total GSA Upfront Costs: \$1.3M
- Agency Break Even: 3.6 years



Recommended Next Steps

| Action | Lead | Date |
|-----------------------------|------|-----------|
| Award construction contract | GSA | 9/30/2015 |
| Kick- Off meeting | GSA | 11/1/2015 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|------------|------------------|-------------------------|----------------------|----------|----------|------|-------------------------|----------------------|
| Baseline | | 2Q FY14 | \$2.2M | \$2.2M | 63,709 | 48,386 | 186 | 260 | 701 |
| Target | Right-size | 2Q FY16 | \$1.9M | \$1.6M | 37,336 | 28,356 | 186 | 152 | 411 |
| Annual TI Payment in Rent = | | \$0.3M | Cost / (Benefit): | (\$0.6M) | (26,373) | (20,030) | (0) | (108) | (290) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (29%) | (41%) | (41%) | (0%) | (41%) | (41%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-------------|-------------|-------------|------------------|----------------------|------------------------------|-------------------|
| Total | \$1.3M | \$0.1M | \$0.4M | \$ 0.4M | \$17k | \$0.5M | \$1.3M | \$2.6M | 3.6 years |
| Funding Source(s) | FY14 Consol | FY14 Consol | Agency Int. | Agency Int. | Agency Int. | Agency Int., RWA | | | |

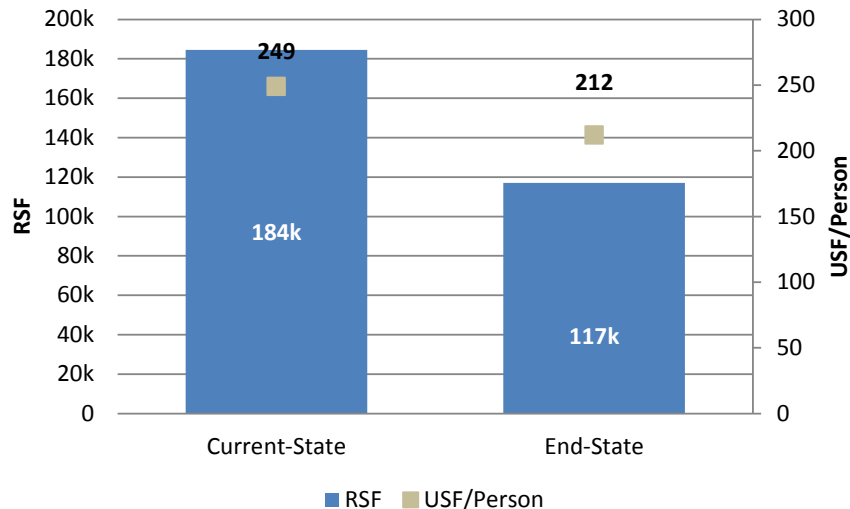
Oakland, CA | Right-size

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|------------------|--------------|--------|---------------------|---------|----------|------------------------------------|
| 1301 Clay Street | Right-size | 9 | Right-size in place | 8/14/14 | 2016 | Post-Design |
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Atlanta, GA | Right-size

- IRS occupies 355k RSF in a GSA-owned building in Atlanta with an annual rent totaling \$6.9M
- GSA has agreed to change the Occupancy Agreement if IRS is open to exiting any excess space
- IRS houses approximately 1,275 employees at Peachtree Summit with a current utilization rate of 249 USF/Person
- Planned retrofit of space in 184k RSF will reduce the footprint by 47k RSF

RSF and USF/Person



Peachtree Summit Right-size Location



| Building | Owned/Leased | RSF | Annual Rent | OA Expiration |
|---------------------|--------------|------|-------------|---------------|
| 401 W. PEACHTREE ST | Owned | 184k | \$3.3M | N/A |

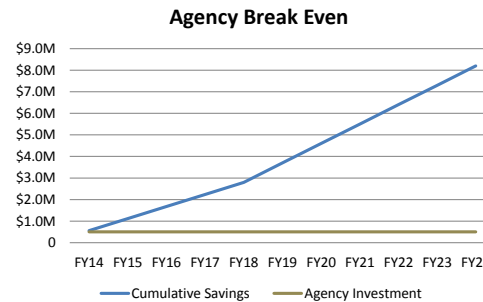
Atlanta, GA | Right-size

Opportunity Description

- Reduce IRS footprint by 47,460 RSF in the Peachtree Summit Federal Building, Atlanta, GA
- This project will reduce the IRS space Utilization Rate from 249 to 144, a decrease of 26% and save IRS approximately \$853k in annual rent
- In addition to the \$509k in needed build-out costs, the project will also require \$381k in additional project costs
- Agency break even is less than a year

Potential Benefits

- RSF Reduction: 47,460 RSF (26%)
- Annual Rent Savings: \$0.8M (26%)
- Required Investment: \$2.2M
 - Total Agency Upfront Costs: \$0.5M
 - Total GSA/Lessor Upfront Costs: \$1.7M
- Agency Break Even: 1.1 years



Recommended Next Steps

| Action | Lead | Date |
|-----------------------------------|----------------|------|
| Requirements Development Phase II | Michelle Price | TBD |
| Need to verify funding | Michelle Price | TBD |
| Need IRS approval | Michelle Price | TBD |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|------------|------------------|-------------------------|----------------------|----------|----------|-----|-------------------------|----------------------|
| Baseline | | 1QFY14 | \$3.3M | \$3.3M | 184,480 | 159,364 | 639 | 249 | 2,029 |
| Target | Right-size | 4QFY14 | \$2.9M | \$2.5M | 117,020 | 135,463 | 639 | 212 | 1,287 |
| Annual TI Payment in Rent = | | \$0.5M | Cost / (Benefit): | (\$0.8M) | (67,460) | (23,901) | - | (37) | (742) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (26%) | (37%) | (15.0%) | - | (15%) | (37%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|--------------------|----------------|------------------------|-----------|--------|--------|--------|----------------------|------------------------------|-------------------|
| Total | \$1.7M | \$0 | \$100k | \$100k | \$200k | \$100k | \$500k | \$2.2M | 1.1 years |
| Funding Source(s)z | | | | | | | | | |

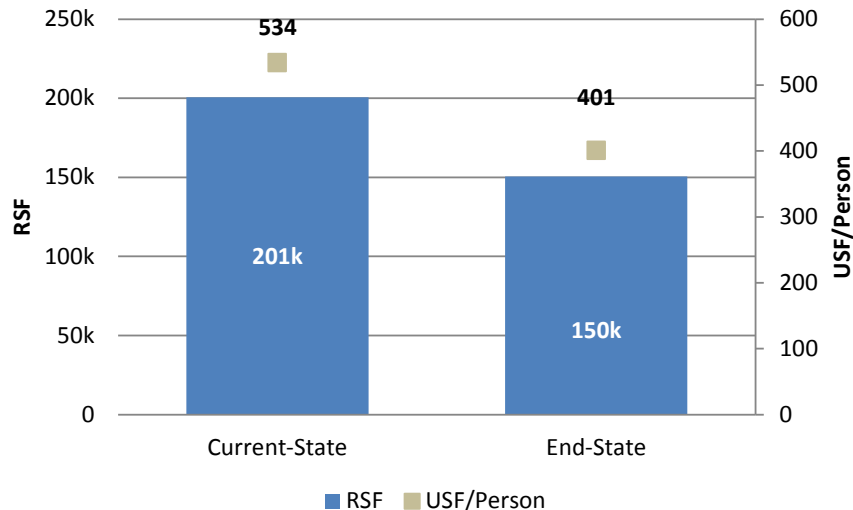
Atlanta, GA | Right-size

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|-------------------------|--------------|--------|--|--------|----------|------------------------------------|
| 401 W. Peachtree Street | Right-size | 4 | The IRS to consolidate and reduce the footprint in the Peachtree Summit Building by approximately 47,000 RSF (Phase I) | 4QFY14 | 3QFY16 | Planning |
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Baltimore, MD | Right-size

- IRS occupies approximately 201k RSF total in a GSA-owned GH Fallon Federal Building in Baltimore with an annual cost of \$4.0M
- The Utilization Rate for the 274 personnel housed in this space is 534 USF/Person
- Agency targets a footprint reduction in the 178k RSF space by approximately 50k RSF

RSF and USF/Person



GH Fallon FB Right-size Location



| Building | Owned/ Leased | RSF | \$/RSF | Annual Rent | OA Expiration |
|--------------|------------------|------|---------|-------------|------------------|
| GH Fallon FB | Owned | 178K | \$20.00 | \$3.6M | 1-2018 |
| GH Fallon FB | Owned | 23K | \$13.00 | \$0.3M | 1-2018 |

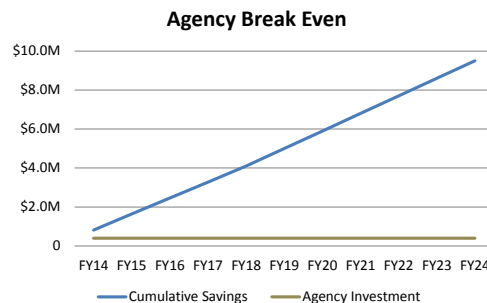
Baltimore, MD | Right-size

Opportunity Description

- IRS has an opportunity to reduce its 178k RSF occupancy agreement at the GH Fallon Federal Building in Baltimore, MD. IRS has already reduced 19K and will reduce an additional 31K RSF by FY16Q1
- The project will save IRS approximately \$1.0M annually in rental payments and reduce the Utilization Rate from 534 to 401 USF/Person; a net decrease of 41%
- Consolidate excess space and implement hoteling for frequent telework employees
- In addition to the \$440,000 in needed build-out costs, the project will also require \$453,000 in additional project costs. IRS is not purchasing furniture, but they will be disposing of 245 workstations

Potential Benefits

- RSF Reduction: 50,217 RSF (25%)
- Annual Rent Savings: \$1.0M (24%)
- Required Investment: \$893k
 - Total Agency Upfront Costs: \$0.4M
 - Total GSA/Lessor Upfront Costs: \$0.4M
- Agency Breakeven 0.5 years



Recommended Next Steps

| Action | Lead | Date |
|---------------------|------|--------|
| Finish construction | GSA | 2/2016 |

| Opportunity Review Status | |
|---------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|------------|------------------|-------------------------|----------------------|----------|----------|------|-------------------------|----------------------|
| Baseline | | 3Q FY14 | \$3.9M | \$3.9M | 200,696 | 146,493 | 274 | 534 | 2208 |
| Target | Right-size | 1QFY15 | \$3.0M | \$2.9M | 150,479 | 109,839 | 274 | 401 | 1655 |
| Annual TI Payment in Rent = | | \$0.1M | Cost / (Benefit): | (\$1.0M) | (50,217) | (36,654) | (0) | (133) | (691) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (24%) | (25%) | (25%) | (0%) | (25%) | (41%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|-------------|-------------|-------------|----------------------|------------------------------|-------------------|
| Total | \$0.4M | | | \$ 0.2M | \$44k | \$0.2M | \$0.4M | \$0.8M | 0.5 years |
| Funding Source(s) | FY14 Consol | | | Agency Int. | Agency Int. | Agency Int. | | | |

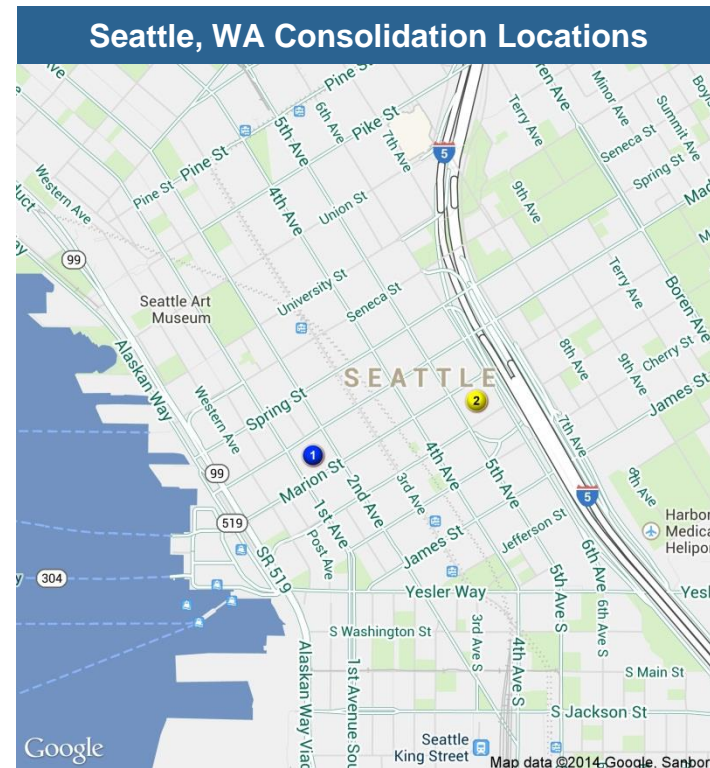
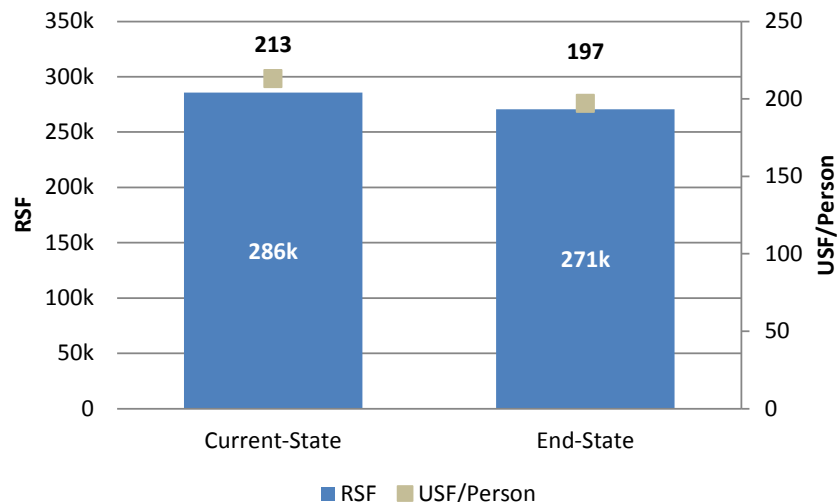
GH Fallon FB – Baltimore, MD | Right-size

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|------------------------|--------------|--------|--|---------|----------|------------------------------------|
| GH Fallon FB Reduction | Right-size | 3 | Release of 19,000 RSF of space that requires no construction | 3Q FY14 | FY15 | Completed |
| GH Fallon FB Reduction | Right-size | 3 | Release of final 31,000 RSF of space | 3QFY14 | FY16 | Construction |
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Seattle, WA | Leased to Owned Consolidation

- IRS currently occupies 274,898 RSF at the Jackson Federal Building in Seattle, WA with an annual cost of \$5.2M
- IRS also leases 10,929 RSF at 800 5th Avenue with an annual cost of \$0.4M
- 981 personnel are housed with an average utilization rate across these locations of 213 USF/Person
- The leased location expires in October 2014

RSF and USF/Person



● Leased ● Owned

| Building | Owned/Leased | RSF | \$/RSF | Annual Rent | OA Expiration |
|-----------------------------|--------------|---------|---------|-------------|---------------|
| 1. Jackson Federal Building | Owned | 274,898 | \$38.31 | \$5.2M | N/A |
| 2. 800 5 th Ave | Leased | 10,929 | \$34.01 | \$0.4M | 1QFY15 |

Seattle, WA | Leased to Owned Consolidation

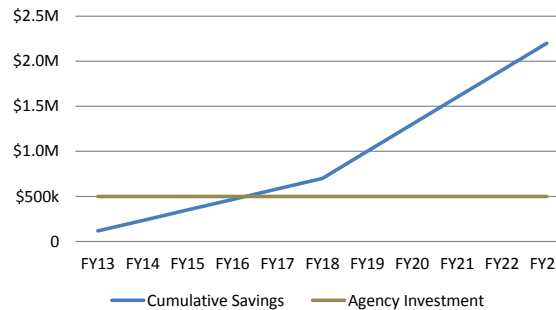
Opportunity Description

- IRS currently occupies 274,898 RSF at the Jackson Federal Building in Seattle, WA
- IRS will reconfigure/reduce their requirement (includes the elimination of 4,235 RSF of training space) in the building in order to relocate IRS Criminal Investigations (CI) from a lease location less than half a mile away, into the Jackson Federal Building
- The current lease for IRS CI office is 10,929 RSF
- By moving and consolidating from the lease to the Jackson Federal Building, IRS is realizing a space reduction of 15,164 RSF for 5% net savings improvement; The footprint reduction will realize a 7% reduction in rent or \$388,176 per year
- In addition to the \$1,142,732 in needed build-out costs, the project will also require \$493,000 in additional project costs

Potential Benefits

- RSF Reduction: 15,164 RSF (5%)
- Annual Rent Savings: \$0.3M (7%)
- Required Investment: \$1.7M
 - Total Agency Upfront Costs: \$0.5M
 - Total GSA/Lessor Upfront Costs: \$1.2M
- Agency Break Even: 4.8 years

Agency Break Even



Recommended Next Steps

| Action | Lead | Date |
|------------------------|------|------|
| Substantial completion | GSA | 9/15 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|-------------------------|----------------------|----------|----------|-------|-------------------------|----------------------|
| Baseline | | 4QFY13 | \$5.6M | \$5.6M | 285,827 | 209,272 | 981 | 213 | 3,144 |
| Target | Consolidation | 4QFY14 | \$5.5M | \$5.3M | 270,663 | 198,467 | 1,009 | 197 | 2,977 |
| Annual TI Payment in Rent = | | \$0.2M | Cost / (Benefit): | (\$0.3M) | (15,164) | (10,805) | 28 | (17) | (167) |
| # Of Years TI is being amortized= | | 5 | % Improvement: | (7%) | (5%) | (5%) | 3% | (8%) | (5%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|-------------|-------------|-------------|----------------------|------------------------------|-------------------|
| Total | \$1.1M | \$0.1M | | \$0.2M | \$4k | \$0.3M | \$0.5M | \$1.7M | 4.8 years |
| Funding Source(s) | GSA | GSA | | Agency Int. | Agency Int. | Agency Int. | | | |

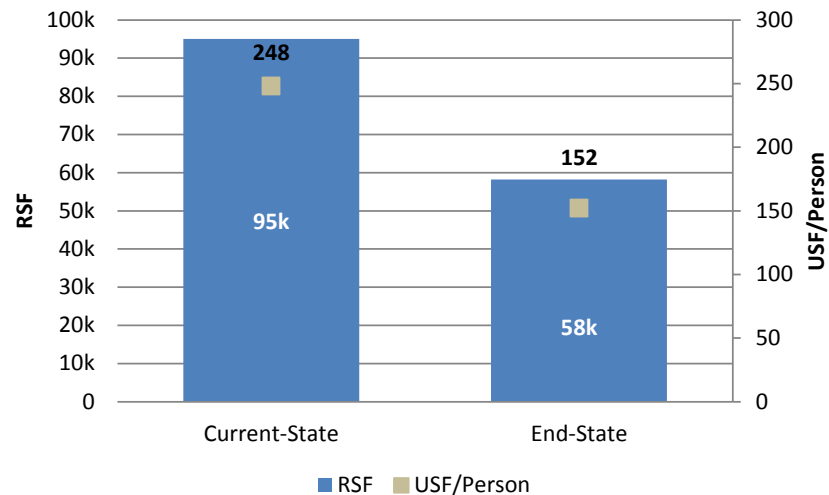
Seattle, WA | Leased to Owned Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|----------------|-----------------|--------|--|--------|----------|---------------------------|
| 800 5th Avenue | Leased to Owned | 10 | Relocate the CI Unit from leased space to existing IRS space in the Jackson Federal Building/Training Room reduction | 4QFY13 | 4QFY14 | Complete |
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San Francisco, CA | Right-size

- IRS currently occupies 94,996 RSF at the Phillip Burton Federal Building located at 450 Golden Gate in San Francisco, CA with an annual rent of \$3.1M
- Housing 306 personnel, IRS is targeting a 39% reduction of 36,798 RSF to achieve the target space Utilization Rate of 152 USF/Person
- Targeted footprint reduction is from 95k to 58k RSF

RSF and USF/Person



**Phillip Burton Federal Building
Right-size Location**



| Building | Owned/ Leased | RSF | \$/RSF | Annual Rent | OA Expiration |
|-----------------|------------------|--------|---------|-------------|------------------|
| 450 Golden Gate | Owned | 94,996 | \$32.63 | \$3.1M | N/A |

San Francisco, CA | Right-size

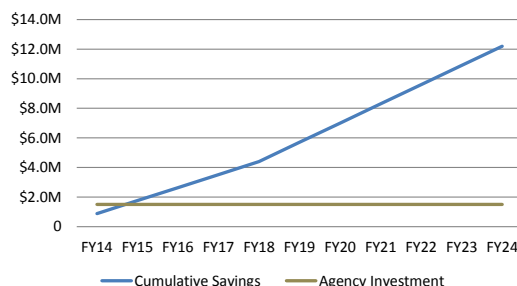
Opportunity Description

- GSA to support IRS in the right-sizing within the Phillip Burton Federal Building located at 450 Golden Gate in San Francisco, CA
- By implementing this project, IRS will save \$1.3 million in annual rent and reduce housing costs from \$10k per employee to \$5.9k per employee
- IRS has determined it can effectively fulfill its mission in a smaller footprint in San Francisco.
- Successful adoption of workplace strategies will enable increased mobility and a more productive workforce

Potential Benefits

- RSF Reduction: 36,798 RSF (39%)
- Annual Rent Savings: \$1.3M (48%)
- Required Investment: \$3.6 M
 - Total Agency Upfront Costs: \$1.5M
 - Total GSA/Lessor Upfront Costs: \$2.1M
- Agency Break Even: 1.7 years

Agency Break Even



Recommended Next Steps

| Action | Lead | Date |
|--------------------------|---------|---------|
| Construction Complete | GSA/IRS | 4Q FY14 |
| Move | GSA/IRS | 4Q FY14 |
| Project Completed - Move | GSA/IRS | 1Q FY15 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|------------|------------------|-------------------------|----------------------|----------|----------|------|-------------------------|----------------------|
| Baseline | | 1QFY14 | \$3.1M | \$3.1M | 94,996 | 75,984 | 306 | 248 | 1,045 |
| Target | Right-size | 4QFY14 | \$2.3M | \$1.8M | 58,198 | 46,551 | 306 | 152 | 640 |
| Annual TI Payment in Rent = | | \$0.5M | Cost / (Benefit): | (\$1.3M) | (36,798) | (29,433) | 0 | (96) | (405) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (48%) | (39%) | (39%) | (0%) | (39%) | (39%) |
| | | | | | | | | | |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|--------|------|--------|----------------------|------------------------------|-------------------|
| Total | \$2.1M | | \$0.6M | \$0.3M | | \$0.6M | \$1.5M | \$3.6M | 1.7 years |
| Funding Source(s) | | | | | | | | | |

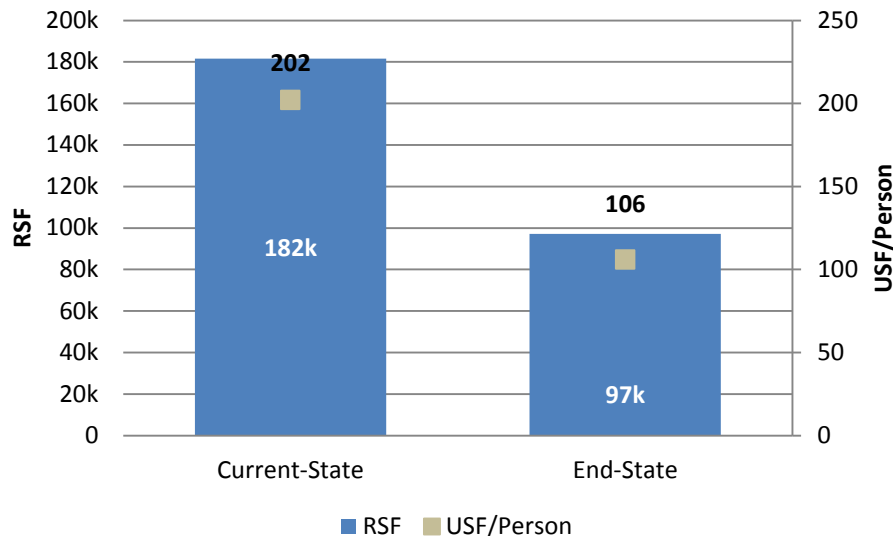
San Francisco, CA | Right-size

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|-----------------|--------------|--------|--|-----------|------------|------------------------------------|
| 450 Golden Gate | Right-size | 9 | In place owned contraction requiring move to swing space, construction of new space and relocation into completed space. | 2/2014 | 10/2014 | Complete |
| 450 Golden Gate | Right-size | 9 | IRS relocated from swing space into new space 10/2014. New OA billing. | 10/1/2014 | 10/15/2014 | Complete |
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Manhattan, NY | Consolidate in Federal Buildings and New Lease Locations

- IRS leases 181,654 RSF at 1133 6th Ave with lease rate of \$65.51 per square foot in midtown Manhattan
- IRS plans to reduce its footprint in Manhattan from 181k RSF to 97k RSF
- Relocated employees will occupy 97k RSF relocating into 61k RSF in three federal buildings, 201 Varick St., 290 Broadway, and 26 Federal Plaza
- A new 36k leased location will be opened in Midtown

RSF and USF/Person



| Building | Owned/Leased | RSF | Annual Rent | OA Expiration |
|-----------------------------|--------------|---------|-------------|---------------|
| 1. 1133 6 th Ave | Leased | 181,654 | \$11.9M | 4QFY14 |
| 2. 201 Varick Street | Owned | 31,067 | \$1.6M | N/A |
| 3. 26 Federal Plaza | Owned | 15,360 | \$794k | N/A |
| 4. 290 Broadway | Owned | 14,720 | \$677k | N/A |
| 5. New Lease* | Leased | 36,000 | \$2.2M | N/A |

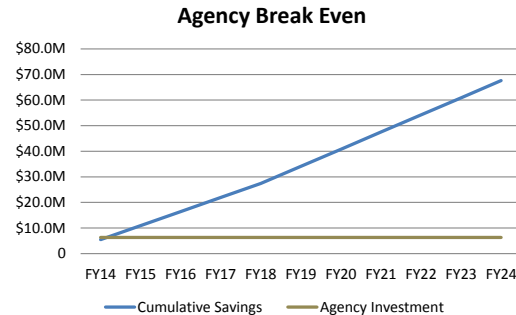
Manhattan, NY | Consolidate in Federal Buildings and New Lease Locations

Opportunity Description

- IRS currently leases 181,654 RSF at 1133 6th Ave in Manhattan and plans to reduce its footprint by over 50%
- Relocate half of personnel into three federal buildings and one new lease location
- IRS will occupy 15,360 RSF on the 31st floor at 26 Federal Plaza, and 31,067 RSF on the 12th floor of 201 Varick Street IRS and 14,720 RSF on the 7th floor at 290 Broadway. In total they will take 61,147 RSF
- A new lease will be entered into for approximately 35,876 RSF for the Small Business Self Employed (SB/SE) unit. For purposes of analysis we estimated \$60/RSF rental rate

Potential Benefits

- RSF Reduction: 84,507 RSF (47%)
- Annual Rent Savings: \$6.7M (56%)
- Required Investment: \$12.4M
 - Total Agency Upfront Costs: \$6.3M
 - Total GSA/Lessor Upfront Costs: \$6.1M
- Agency Break Even: 1.2 years



Recommended Next Steps

| Action | Lead | Date |
|---|-------------|-----------------|
| IRS to Consolidate in two Federal Buildings | GSA | 1Q FY14-3Q FY14 |
| IRS to allocate RWA funding | IRS | 2Q FY14 |
| Complete consolidation | GSA and IRS | 4Q FY15 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI*) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|-------------------------|----------------------|----------|----------|-----|-------------------------|----------------------|
| Baseline | | 1QFY14 | \$11.9M | \$11.9M | 181,654 | 157,960 | 780 | 202 | 2,000 |
| Target | Consolidation | 4QFY14 | \$6.5M | \$5.2M | 97,147 | 82,327 | 780 | 106 | 1,070 |
| Annual TI Payment in Rent = | | \$1.3M | Cost / (Benefit): | (\$6.7M) | (84,507) | (75,633) | - | (96) | (930) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (56%) | (47%) | (48%) | - | (47%) | (47%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|----|--------|-------|----------------------|------------------------------|-------------------|
| Total | \$6.1M | | \$5.9M | | \$0.4M | | \$6.3M | \$12.4M | 1.2 years |
| Funding Source(s) | | | | | | | | | |

Manhattan, NY | Consolidate in Federal Buildings and New Lease Locations

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|-----------------------------|--------------------------------------|--------|--|--------|----------|------------------------------------|
| 1. 1133 6 th Ave | Exit and Relocate (Owned and Leased) | 2 | Exit 1133 6 th Ave prior to Sept 21 st 2014 expiration | 1QFY13 | 4QFY14 | Complete |
| 2. 201 Varick Street | Right-size in Place | 2 | 12 floor space is the targeted occupancy and 6 th floor space is for temporary use until 12 th floor is complete between the lease expiration and the completion of the 12 th floor | 1QFY13 | 9/30/15 | Execution |
| 3. 26 Federal Plaza | Right-size in Place | 2 | 31 st floor LB&I is the targeted occupancy and 18 th floor is temporary space until 31 st Floor is complete | 1QFY13 | 2015 | Complete |
| 4. 290 Broadway | Relocate to owned from leased | 2 | Employees relocating from 1133 6 th Ave lease | 1QFY13 | 2015 | Complete |
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SECTION 3.2

FY15 Portfolio Opportunities

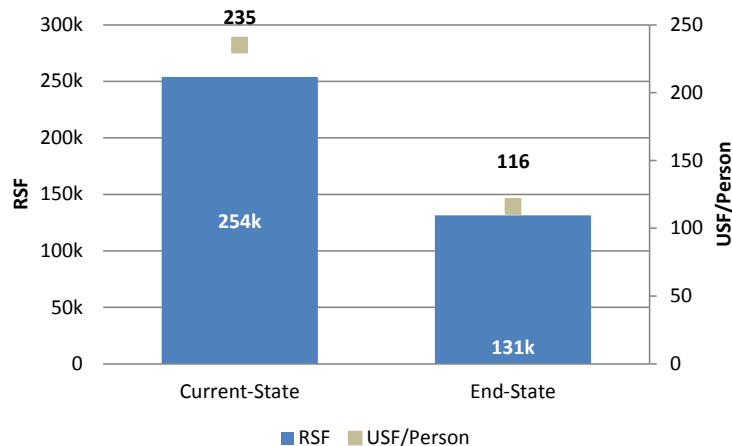
Martinsburg, WV | Leased to Owned Consolidation

- IRS-Enterprise Computing Center (ECC), an approximately 400,000 rsf federally owned facility located in Martinsburg, WV, is one of three mission-critical national data centers used for tax processing
- The IRS-Annex lease location, which is 122,475 rsf located next door, is an extension of the ECC data center providing additional tax processing support
- Both buildings were part of a study IRS recently completed to reduce data center space nationally
- The proposed project will consolidate 100% of the Annex function into the ECC and release the Annex once completed, thus eliminating 122,475 rsf of government leased space and saving IRS and the taxpayer approximately \$3 million annually in lease avoidance costs
- In addition, by consolidating IRS into the ECC, IRS' rental rate will decrease an estimated 32 percent (factoring in TI amortization) or \$1,615,000 annually compared to occupying both facilities
- The project will also implement IRS' new unassigned seating/mobile work environment, reducing the number of workspaces by an estimated 29 percent and improving the Utilization Rate of the ECC dramatically

IRS Enterprise Computing Center Annex



RSF and USF/Person



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|--|------------------|---------------------|-------------------|------------------|------------------------------|
| IRS Enterprise Computing Center and Annex Building | Owned/ Leased | Combined 253,881 | Leased \$23.27 | Leased \$2.8M | Owned Building 12/15/2028 |

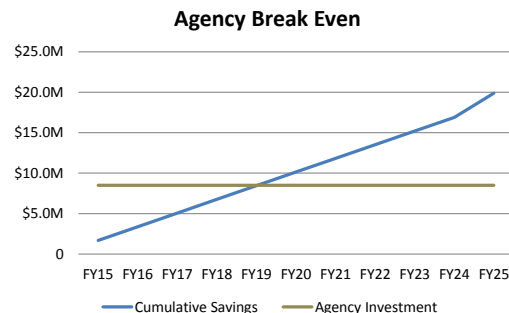
Martinsburg, WV | Leased to Owned Consolidation

Opportunity Description

- Release 122,475 RSF Annex Building from government inventory by moving personnel into the ECC Building. Potential various lease restoration and or swing space/staging expenses to release the building.
- ECC Building will require limited construction in affected office space, including the build out of new IT Command Center (as part of TI). All projects phases must be completed to release the Annex Building. Some exterior site improvements on ECC property.
- Implementing new National Workplace Standards & instituting Out of Office Teleworking/ Hoteling (O3). Realigning existing furniture and purchasing new furniture as needed.

Potential Benefits

- RSF Reduction: 122,475 RSF (48%)
- Annual Rent Savings (w/o TI): \$3.0 M (60%)
- Total Investment Costs: \$21.6M
 - Total Agency Upfront Costs: \$8.5M
 - Total GSA/Lessor Upfront Costs:\$13.1M
- Agency Break Even: 5.3 years



Recommended Next Steps

| Action | Lead | Date |
|-----------------------|------|--------|
| Complete Design | GSA | 1/2016 |
| Award Construction | GSA | 5/2016 |
| Start Construction | GSA | 6/2016 |
| Complete Construction | GSA | 4/2018 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|-----------|-----------|-----|-------------------------|----------------------|
| Baseline | | Q1FY15 | \$5.1M | \$5.1M | 253,881 | 211,084 | 898 | 235 | 2,793 |
| Target | Consolidation | Q2FY18 | \$3.5M | \$2.1M | 131,406 | 104,584 | 898 | 116 | 1,445 |
| Annual TI Payment in Rent = | | \$1.4M | Cost / (Benefit): | (\$3.0M) | (122,475) | (106,500) | - | (119) | (1,348) |
| # Of Years TI is being amortized= | | 10 years | % Improvement: | (60%) | (48%) | (50%) | - | (50%) | (48%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|--------------------------|----------------|------------------------|-----------|--------|--------|--------|----------------------|------------------------------|-------------------|
| Total | \$11.6M | \$1.5M | \$3.4M | \$4.1M | \$330k | \$755k | \$8.5M | \$21.6M | 5.3 years |
| Funding Source(s) | | | | | | | | | |

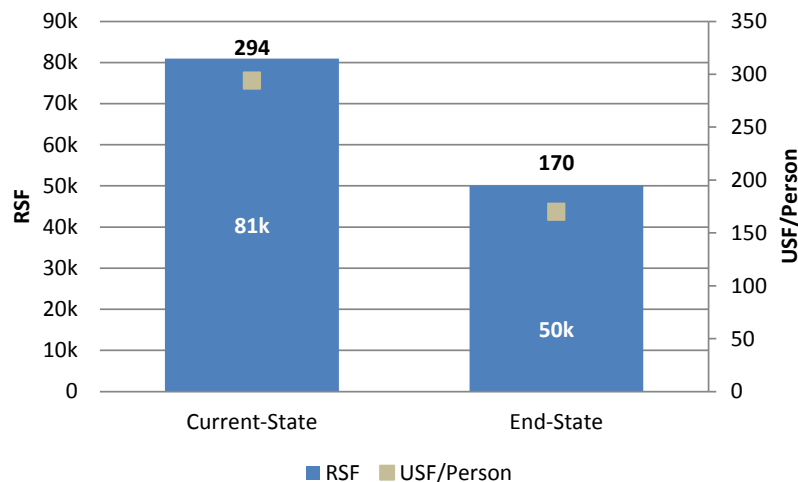
Martinsburg, WV | Leased to Owned Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|------------------------------|---------------|--------|--|-----------|----------|---------------------------|
| Annex Consolidation into ECC | Consolidation | 3 | Consolidate annex space into ECC and terminate lease | 3/13/2014 | 4/2/2018 | Design |
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Hartford, CT | Leased to Owned Consolidation

- IRS has a 13,115 RSF and 11,710 USF Silas Deane Lease in Hartford, CT
- IRS has 53,880 USF and 84,335 RSF in the Cotter Federal Building of which a block of 42,124 USF (67,820 RSF) is under-utilized by at least 15,000 USF
- The Current UR is 294 USF/Person, and the lease expires in March of 2015
- Ideally IRS would benefit from consolidating in federal space

RSF and USF/Person



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|-----------------------------|------------------|--------------|---------|-------------|---------------|
| Cotter Building Hartford | Owned | 67,784 | \$19.23 | \$1,303,500 | 11/30/2018 |
| Wethersfield | Leased | 13,151 | \$20.31 | \$267,094 | 3/1/2015 |
| Total | | 80,935 | \$19.41 | \$1,570,594 | |

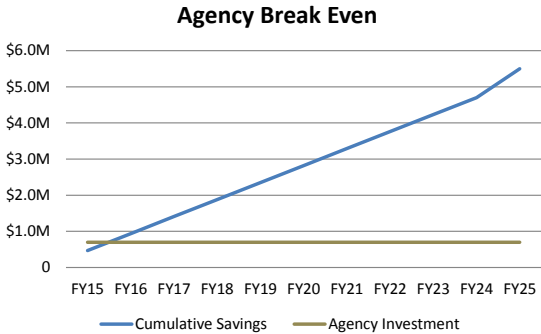
Hartford, CT | Leased to Owned Consolidation

Opportunity Description

- IRS has the opportunity to let the Wethersfield, CT Silas Deane lease expire and move into the Hartford, CT Cotter FB while reducing their Cotter FB space by an additional 15,000 USF estimated.
- These combined moves will allow IRS to reduce the current UR from 294 to about 180.
- The Agency's investment will be paid back in less than 2 years.

Potential Benefits

- RSF Reduction: 30,825 RSF (38%)
- Annual Rent Savings (w/o TI): \$0.8M (49%)
- Total Investment Costs: \$4.9M
 - Total Agency Upfront Costs: \$697k
 - Total GSA/Lessor Upfront Costs: \$4.2M
- Agency Break Even: 1.8 years



Recommended Next Steps

| Action | Lead | Date |
|----------------------|-------------------|---------|
| Design award pending | Patrick Sbardelli | 9/30/15 |

| Opportunity Review Status | |
|---------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

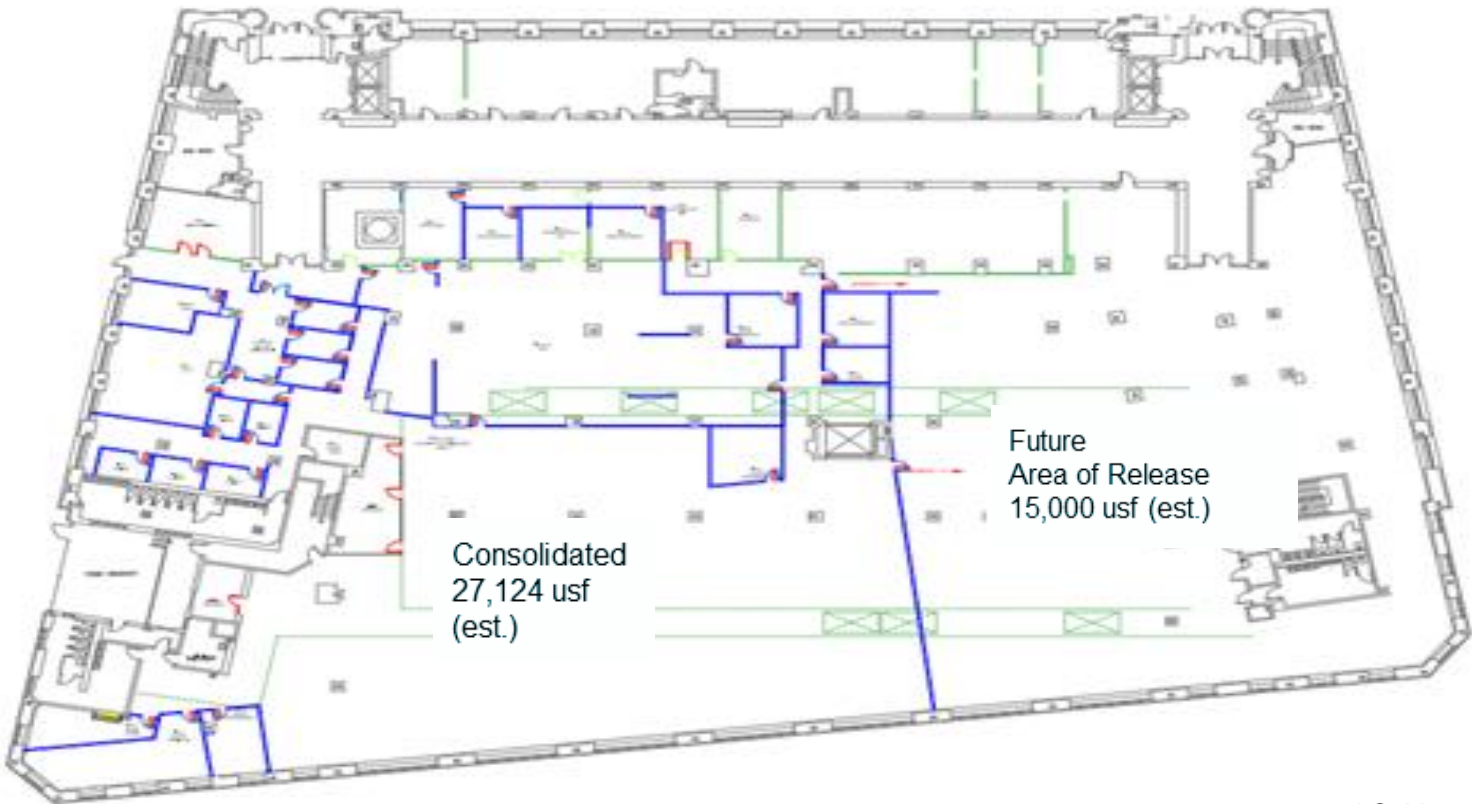
OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|----------|----------|-----|-------------------------|----------------------|
| Baseline | | Q1FY15 | \$1.6M | \$1.6M | 80,935 | 53,834 | 183 | 294 | 890 |
| Target | Consolidation | Q4FY16 | \$1.2M | \$0.8M | 50,110 | 31,124 | 183 | 170 | 551 |
| Annual TI Payment in Rent = | | \$0.4M | Cost / (Benefit): | (\$0.8M) | (30,825) | (22,710) | - | (124) | (339) |
| # Of Years TI is being amortized= | | 10 years | % Improvement: | (49%) | (38%) | (42%) | - | (42%) | (38%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|----|-------|-------|----------------------|------------------------------|-------------------|
| Total | \$3.3M | \$934k | \$675k | | \$18k | \$4k | \$697k | \$4.9M | 1.8 years |
| Funding Source(s) | | | | | | | | | |

Proposed DRAFT Consolidation and Reduction *

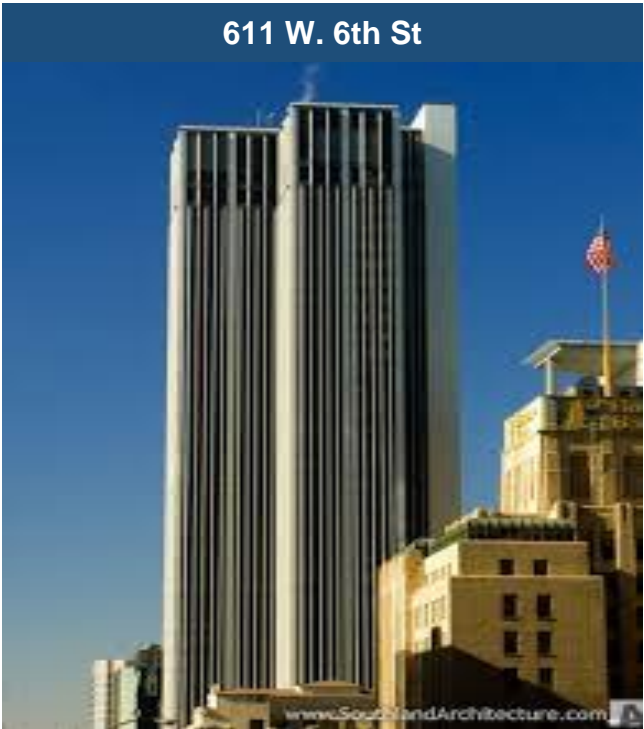
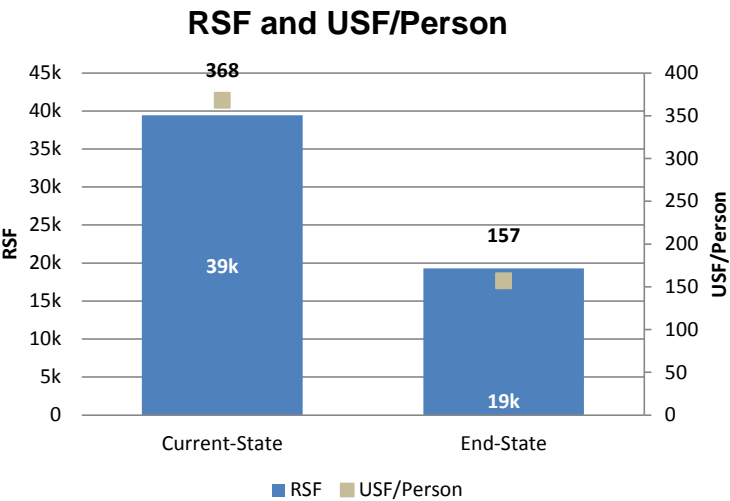


** Subject to change pending design*

Hartford, CT | Leased to Owned Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|----------------------------|-----------------|--------|--|---------|----------|---------------------------|
| IRS Hartford Consolidation | Leased to Owned | 1 | Expire the Wethersfield, CT Silas Deane lease and move into reduced space the Hartford, CT Cotter FB | Q1 FY15 | Q4 FY16 | Planning |
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- Space consolidation of a 30,884 RSF (26,856 USF) lease located at 611 6th Street, Los Angeles, CA into the 300 North Los Angeles Federal Building
- IRS relocation will include re-purposing 10,746 RSF (7,884 USF) on the 5th Floor and acquiring 8,551 RSF (6,272 USF) of vacant space on the 3rd Floor
- IRS has existing office space at the 300 North LA Federal Building
- 611 6th Street is less than 10 blocks from the 300 North LA Federal Building



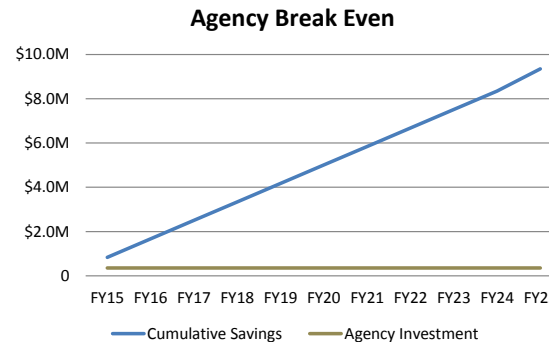
| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|---------------|------------------|-----------------|---------|-------------|---------------|
| 611 W. 6th St | Leased | 39,435 | \$34.34 | \$1,354,031 | 12/1/2018 |

Opportunity Description

- Lease to Owned space consolidation of 30,884 RSF (26,856 USF) lease located at 611 6th Street, Los Angeles, CA into 8,551 RSF (6,272 USF) at 300 N LA FOB, 5th Floor and (IRS repurposed training room) and 10,746 RSF, (7,884 USF) at 300 N LA FOB, 3rd Floor new office space to be acquired
- Total project (19,297 RSF (14,156 USF) Project considered a "Recovery of Vacant Space"
- Project is estimated to reduce IRS space 20,138 RSF and save over \$712,000 in annual rent. UR factor will decrease from 368 to 157 or a 57% decrease.
- 611 6th St lease expires 12/1/2018 with an Agency 120 day cancellation of OA. In a worse case scenario liability could be approx. \$2.4M.

Potential Benefits

- RSF Reduction: 20,138 RSF (51%)
- Annual Rent Savings (w/o TI): \$ 1.0M (68%)
- Total Investment Costs: \$2.1M
 - Total Agency Upfront Costs: \$352k
 - Total GSA/Lessor Upfront Costs: \$1.8M
- Agency Breakeven: 0.5 years



Recommended Next Steps

| Action | Lead | Date |
|----------------------|------|-------|
| Construction Award | GSA | 12/15 |
| Substantial Complete | GSA | 6/26 |

| Opportunity Review Status | |
|---------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|----------|----------|----|-------------------------|----------------------|
| Baseline | | Q4FY14 | \$1.4M | \$1.4M | 39,435 | 33,128 | 90 | 368 | 434 |
| Target | Consolidation | Q2FY16 | \$0.6M | \$0.4M | 19,297 | 14,156 | 90 | 157 | 212 |
| Annual TI Payment in Rent = | | \$202k | Cost / (Benefit): | (\$1.0M) | (20,138) | (18,972) | - | (211) | (222) |
| # Of Years TI is being amortized= | | 10 years | % Improvement: | (68%) | (51%) | (%) | - | (57%) | (51%) |

OPPORTUNITY INVESTMENT DATA

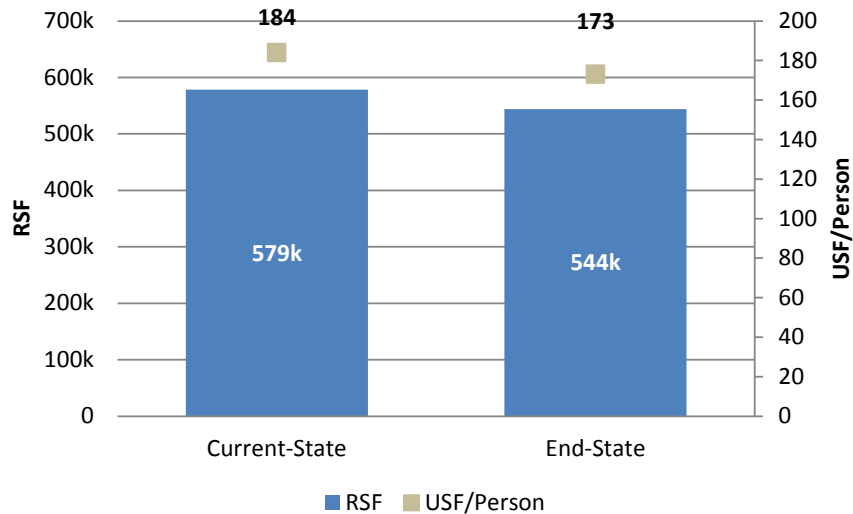
| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|--------------------------|----------------|------------------------|-----------|-----|--------|--------|----------------------|------------------------------|-------------------|
| Total | \$1.6M | \$158k | \$215k | \$0 | \$30k | \$107k | \$352k | \$2.1M | 0.5 years |
| Funding Source(s) | Consolidation | Consolidation | FIT | | Agency | Agency | Agency | | |

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|--------------|------------------------------------|--------|--|--------|----------|---------------------------|
| 300 N LA | Space Reduction/ Lease to Owned | 9 | Relocation and consolidate into repurposed IRS existing office space and relocating balance of requirement into newly acquired office space adjacent to existing IRS offices (3rd Floor) | 1QFY16 | 2QFY17 | Initiation |
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Holtsville, NY | Leased to Owned

- IRS has a 34k RSF Lease in Holtsville, NY with a nearby 546K owned campus
- The current All-in Utilization Rate for the lease is 284 USF/Person

RSF and USF/Person



IRS Holtsville 1 Corporate Drive



| Building Name | Owned/Leased | Assigned RSF | Cost per RSF | Annual Rent |
|-------------------------------|--------------|----------------|----------------|--------------------|
| #1 Corporate Drive | Leased | 34,470 | \$39.87 | \$1,374,378 |
| IRS Service Center—Holtsville | Owned | 544,105 | \$11.13 | \$6,057,680 |
| Opportunity Total | | 578,575 | \$12.85 | \$7,432,058 |

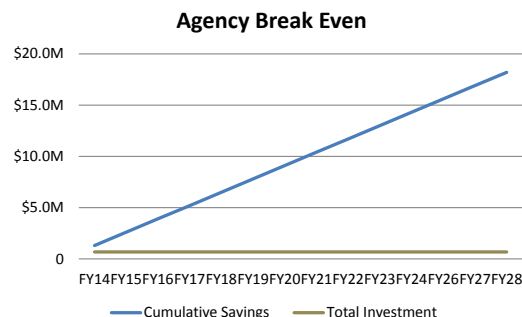
Holtsville, NY | Leased to Owned Consolidation

Opportunity Description

- IRS has the opportunity to let 1 Corporate Dive lease expire and consolidate in federal space
- Move tenants to 1040 Waverly and temporary space at 5000 Corporate Drive
- Let 1 Corporate Lease expire
- Move the temporary tenants from 5000 Corporate to 1040 Waverly
- The savings is the annual rent of the expiring lease
- By moving into Available Federal space IRS can:
 - Avoid the impact of a potential 30% Market Rate increase in a new lease
 - Reduce its UR from 184 down to 173

Potential Benefits

- RSF Reduction: 34,470 RSF (6%)
- Annual Rent Savings (w/o TI): \$1.4M (19%)
- Total Investment Costs: \$673k
 - Total Agency Upfront Costs: \$673k
 - Total GSA/Lessor Upfront Costs: \$0
- Agency Breakeven: 0.5 years



Recommended Next Steps

| Action | Lead | Date |
|---------------------------------------|------|------------------|
| Relocation to Waverly and swing space | GSA | 3/15 (Completed) |
| Permanent Relocation to Waverly | GSA | 10/15 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|----------|----------|-------|-------------------------|----------------------|
| Baseline | | 1QFY14 | \$7.4M | \$7.4M | 578,575 | 514,789 | 2,803 | 184 | 6,364 |
| Target | Consolidation | 4QFY14 | \$6.0M | \$6.0M | 544,105 | 486,177 | 2,803 | 173 | 5,985 |
| Annual TI Payment in Rent = | | 0 | Cost / (Benefit): | (\$1.4M) | (34,470) | (28,612) | - | (11) | (379) |
| # Of Years TI is being amortized= | | 0 | % Improvement: | (19%) | (6%) | (6%) | - | (6%) | (6%) |
| Savings Achieved to Date | | | | (\$1.4M) | (34,470) | (28,611) | - | (10) | (379) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|-------|--------|--------|----------------------|------------------------------|-------------------|
| Total | | | | \$31k | \$341k | \$301k | \$673k | \$673k | 0.5 years |
| Funding Source(s) | | | | | | | | | |

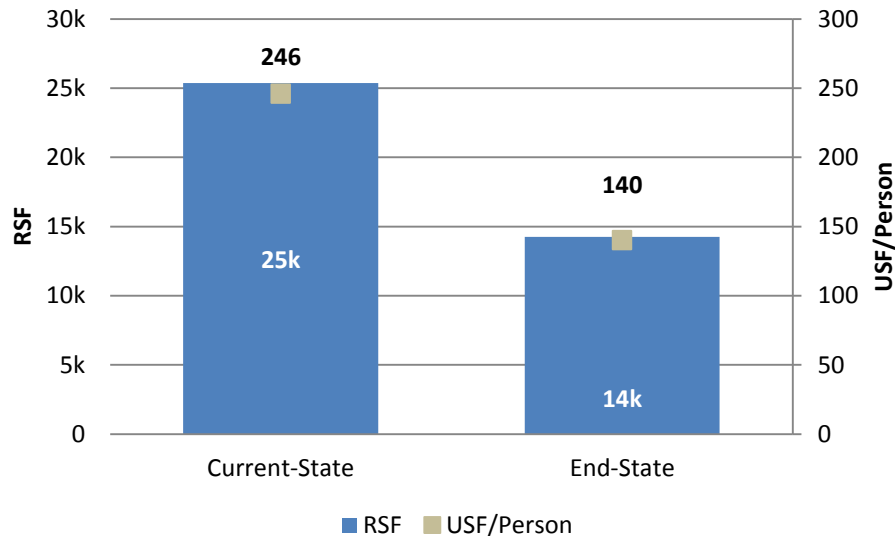
Holtsville, NY | Leased to Owned Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|------------------------------|----------------|--------|---|----------|-----------------|------------------------------------|
| IRS Holtsville Consolidation | Lease to Owned | 2 | Relocation of IRS' Human Resources operation from the lease at 1 Corporate Drive to the federal facility at 1040 Waverly Avenue in Holtsville, NY | Jan 2014 | October 1, 2015 | Execution |
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Raleigh-Durham, NC | Lease Consolidation

- IRS has two lease locations in the Raleigh-Durham metro area. Both Leases are expiring in the second half of 2015.
- The Duke Forrest lease in Durham was extended 23 months, commencing 7/1/2015 and has a UR of 312
- The Somerset Park lease in Raleigh is being extended 24 months, commencing 10/1/2015 and has a UR of 213

RSF and USF/Person



| Building | Owned /Leased | RSF | Annual Rent | OA Expiration |
|-------------------|---------------|--------|-------------|---------------|
| Duke Forest Place | Leased | 11,121 | \$164,042 | 5/31/2015 |
| Somerset Park | Leased | 14,240 | \$280,417 | 9/30/2015 |
| Total | | 25,361 | \$444,459 | |

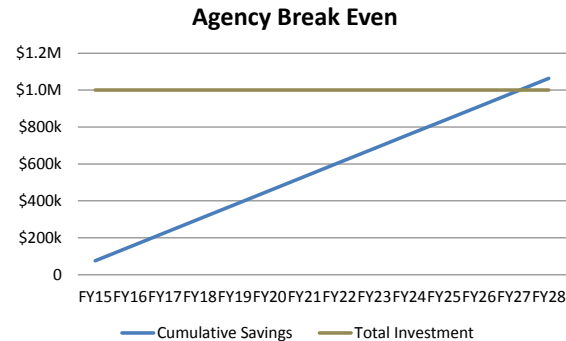
Raleigh-Durham, NC | Lease Consolidation

Opportunity Description

- IRS has extended the leases and is pursuing a consolidation of both locations into a new lease at the Raleigh location
- The target UR for the consolidation is 140 USF/Person, a 43% improvement over the combined 246 baseline UR
- At this point the expected target rate would be in a range from \$19.18 - 25.58
- The Lease Project is under way and scheduled to deliver in October 2016
- Client Agency Cost information will be available as the lease project moves forward

Potential Benefits

- RSF Reduction: 11,121 RSF (44%)
- Annual Rent Savings (w/o TI): \$76k (17%)
- Total Investment Costs: \$1.0M
 - Total Agency Upfront Costs: \$1.0M
 - Total GSA/Lessor Upfront Costs: \$0.0k
- Agency Break Even: 13.1 years



Recommended Next Steps

| Action | Lead | Date |
|--------------------------|------------------|---------|
| Market Survey | Lashaundra Greer | 8/27/15 |
| IRS approval of location | TBD | TBD |
| Lease Award | TBD | TBD |
| Construction | TBD | TBD |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|----------|---------|----|-------------------------|----------------------|
| Baseline | | Q1FY15 | \$444k | \$444k | 25,361 | 22,430 | 91 | 246 | 279 |
| Target | Consolidation | Q1FY17 | \$368k | \$368k | 14,240 | 12,760 | 91 | 140 | 157 |
| Annual TI Payment in Rent = | | 0 | Cost / (Benefit): | (\$76k) | (11,121) | (9,670) | - | (106) | (122) |
| # Of Years TI is being amortized= | | 0 | % Improvement: | (17%) | (44%) | (43%) | - | (43%) | (44%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|----|------|-------|----------------------|------------------------------|-------------------|
| Total | | | \$1.0M | | | | \$1.0M | \$1.0M | 13.1 years |
| Funding Source(s) | | | | | | | | | |

Raleigh-Durham, NC | Lease Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|--------------------|---------------------|--------|----------------------------------|---------|----------|---------------------------|
| Raleigh-Durham, NC | Lease Consolidation | 4 | Implement new consolidated lease | Q1 FY15 | Q1FY17 | Planning |
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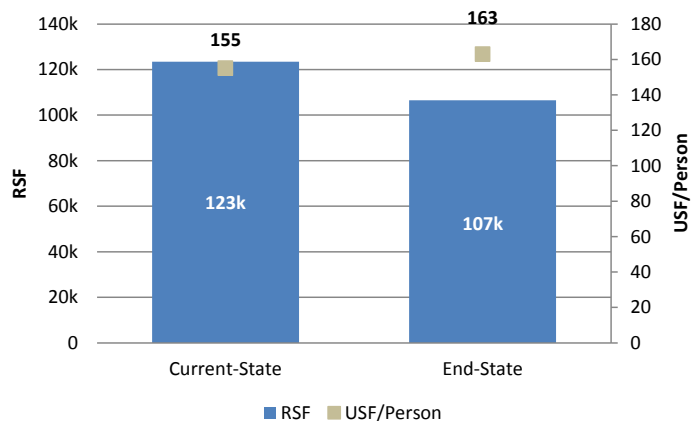
Nashville, TN | Leased to Owned Consolidation

- The IRS is looking to reduce its overall footprint within the Nashville, TN area. They currently occupy approximately 258,657 RSF of space in three locations which include Franklin, TN (lease), 801 Broadway (Estes Kefauver Federal Building), and 810 Broadway (lease). The proposed project will impact all three locations with the end result of releasing approximately 16,885 RSF of space.
- The identified areas impacted by the project are approximately 123,450 RSF of space with a targeted space reduction to 106,565 RSF
- The current space UR is expected to increase from 155 RSF UR to 163 UR.
- The estimated annual rent savings is expected to be approximately \$1.0 M

Kefauver Building



RSF and USF/Person



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|-------------------|------------------|--------------|---------|-------------|---------------|
| Kefauver Building | Leased | 123,450 | \$15.55 | \$1,919,247 | 4/30/2016 |

Nashville, TN | Leased to Owned Consolidation

Opportunity Description

IRS currently occupies a total of 258,657 RSF in 3 locations in the Nashville area

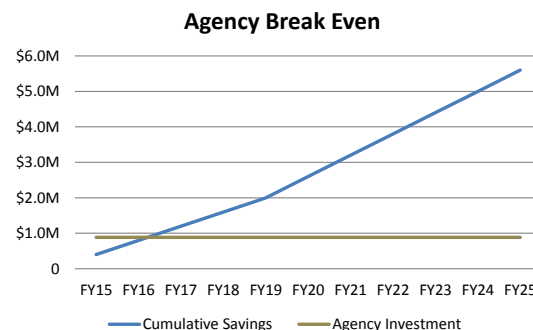
- The areas impacted by the project are approximately 106,565 USF (123,450 RSF)

The project will consists of the following:

- Restack Franklin, TN for consolidation
- Move Room 285 from Kefauver to Franklin, TN
- Build out Kefauver for 810 Broadway employees
- Release all of 810 Broadway back to GSA (16,719 RSF)

Potential Benefits

- RSF Reduction: 16,885 RSF (14%)
- Annual Rent Savings (w/o TI): \$0.6M (32%)
- Total Investment Costs: \$2.5M
 - Total Agency Upfront Costs: \$883k
 - Total GSA/Lessor Upfront Costs: \$1.6M
- Agency Break Even: 2.2 years



Recommended Next Steps

| Action | Lead | Date |
|--------------------------------|-------------|---------|
| Preliminary Design sent to IRS | Joani Isles | 7/29/15 |
| IRS approves reduction plan | Mike Beam | TBD |
| GSA approves reduction plan | Joani Isles | TBD |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|----------|----------|-----|-------------------------|----------------------|
| Baseline | | Q2FY15 | \$1.9M | \$1.9M | 123,450 | 87,721 | 441 | 199 | 1,358 |
| Target | Consolidation | Q3FY17 | \$1.5M | \$1.3M | 106,565 | 71,952 | 441 | 163 | 1,172 |
| Annual TI Payment in Rent = | | \$206k | Cost / (Benefit): | (\$0.6M) | (16,885) | (15,769) | - | (36) | (186) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (32%) | (14%) | (18%) | - | (18%) | (14%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|--------------------------|----------------|------------------------|-----------|--------|--------|--------|----------------------|------------------------------|-------------------|
| Total | \$960k | \$613k | \$30k | \$175k | \$220k | \$458k | \$883k | \$2.5M | 2.2 years |
| Funding Source(s) | | | | | | | | | |

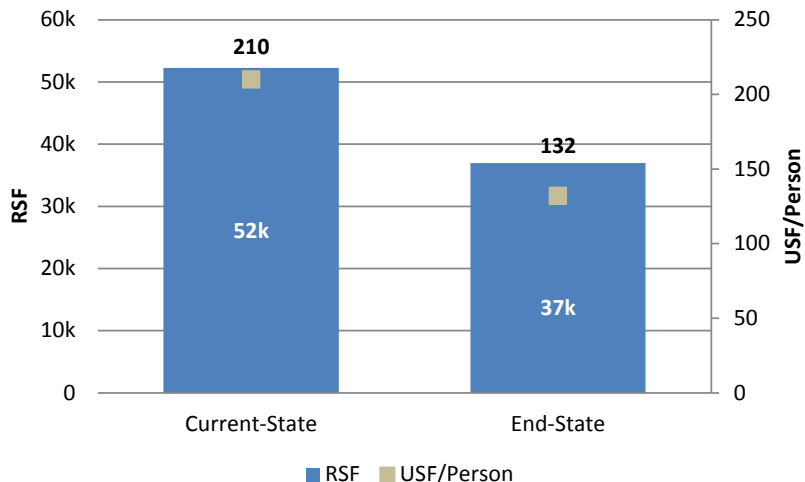
Nashville, TN | Leased to Owned Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|------------------------------|------------------------|--------|---|-------|----------|---------------------------|
| Franklin, TN - Consolidation | Restack/ Consolidation | 4 | Restack of Franklin, TN lease to house employees from the Kefauver FB | TBD | TBD | Planning |
| Kefauver Relocation | Move | 4 | Move Room 285 in the Kefauver FB to Franklin, TN | TBD | TBD | Planning |
| Kefauver Buildout | Construction | 4 | Buildout Room 285 for the employees from 810 Broadway | TBD | TBD | Planning |
| 810 Broadway Relocation | Move | 4 | Relocation employees from 810 Broadway into the Kefauver FB | TBD | TBD | Planning |
| 810 Broadway Space release | Leasing | 4 | Release 16,719 RSF of space back to GSA | TBD | TBD | Planning |
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Miami, FL | Right-size Consolidation

- IRS currently occupies a total of 54,248 RSF in the Claude Pepper FOB in Miami, FL
- The space assignment expiration date is 3/31/21
- This project proposes a reduction of the square footage of IRS' space on floors 7, 8, 9, and 10 by releasing approximately 17,296 RSF from those floors, and includes implementation of new workplace standards - including hoteling for "out of office" employees. The project will save IRS approximately \$340,000 annually in rent and the office utilization rate for the affected areas on floors 7-10 will decrease from 210 to 132 (37%).
- In addition to the \$1.3M needed for the build-out, the project will also require \$1.8M in additional project funding

RSF and USF/Person



Claude Pepper Federal Building



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|-----------------------------------|------------------|--------------|---------|-------------|---------------|
| Claude Pepper Federal Building | Owned | 54,248 | \$25.95 | \$1,407,850 | 3/31/2021 |

Miami, FL | Right-size Consolidation

Opportunity Description

IRS currently occupies a total of 54,248 RSF in the Claude Pepper FOB in Miami, FL

- The area(s) impacted by the project is approximately 41,554 USF
- The new IRS work place standards will be implemented-including hoteling for "out of office employees"

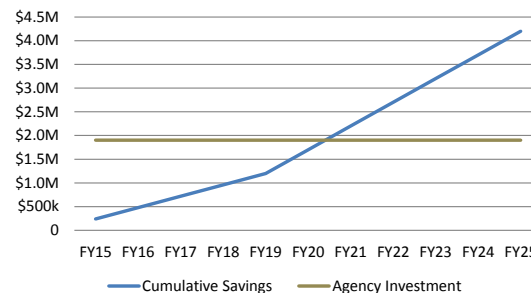
The project proposes a reduction of approximately 17,296 RSF

The project will save IRS approximately \$500,000 annually in rent and the office utilization rate for the affected space on floors 7-10 will improve/decrease from 210 USF per person to 132 (37%). In addition to the \$1.3M needed for the build-out, the project will also require \$1.9M in additional project funding

Potential Benefits

- RSF Reduction: 17,296 RSF (32%)
- Annual Rent Savings (w/o TI): \$0.5M (39%)
- Total Investment Costs: \$3.2M
 - Total Agency Upfront Costs: \$1.9M
 - Total GSA/Lessor Upfront Costs: \$1.3M
- Agency Breakeven: 5.1 years

Agency Break Even



Recommended Next Steps

| Action | Lead | Date |
|--------------------------------|----------------|------|
| Independent Government Est. | TBD | TBD |
| IRS approves reduction plan | TBD | TBD |
| GSA approves reduction plan | TBD | TBD |
| GSA to confirm backfill tenant | John Behizadeh | TBD |

Opportunity Review Status

| | |
|------------------------|---------|
| 1. GSA Central Office | Pending |
| 2. GSA Regional Office | Pending |
| 3. Client Agency | Pending |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|------------|------------------|------------------------|----------------------|----------|----------|-----|-------------------------|----------------------|
| Baseline | | Q2FY15 | \$1.4M | \$1.4M | 54,248 | 41,554 | 198 | 210 | 597 |
| Target | Right-size | Q4FY17 | \$1.0M | \$0.9M | 36,952 | 28,305 | 215 | 132 | 406 |
| Annual TI Payment in Rent = | | \$130k | Cost / (Benefit): | (\$0.5M) | (17,296) | (13,249) | 17 | (78) | (191) |
| # Of Years TI is being amortized= | | 10 years | % Improvement: | (39%) | (32%) | (32%) | 9% | (37%) | (32%) |

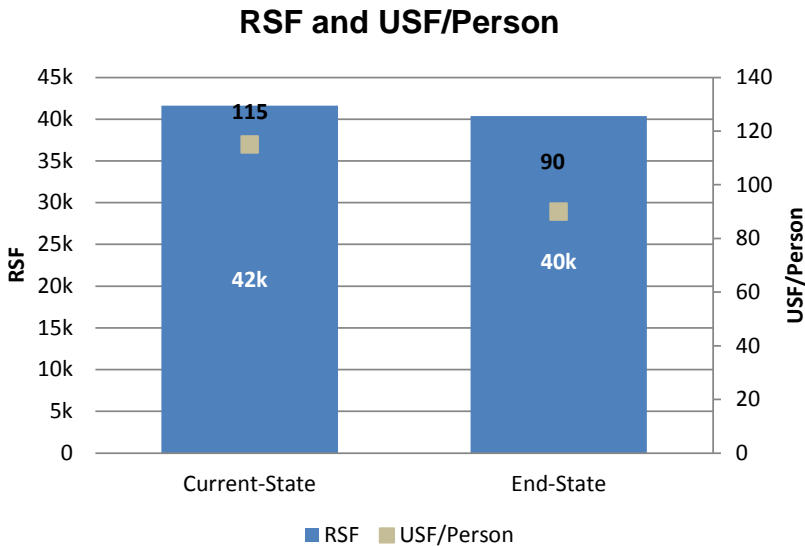
OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|--------|-------|--------|----------------------|------------------------------|-------------------|
| Total | \$1.3M | | \$1.2M | \$387k | \$30k | \$311k | \$1.9M | \$3.2M | 5.1 years |
| Funding Source(s) | | | | | | | | | |

Miami, FL | Right-size Consolidation

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|-------------------------------|----------------------------|--------|--|--------------|----------|---------------------------|
| IRS Miami Space Consolidation | Contraction/ Consolidation | 4 | Right-size space in the Claude Pepper Federal Building | 2nd Qtr FY15 | TBD | Planning |
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- Currently, IRS leases approximately 600,000 USF in Ogden, UT
- The Hansen Federal Building has approximately 35,000 USF of available space for backfill
- IRS is working to find the right fitting groups within their organization to release leased space and move into federally owned space



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|----------------------------|------------------|-----------------|---------|-------------|---------------|
| Hansen Federal Building | Leased | 41,637 | \$17.22 | \$716,950 | 11/30/2016 |

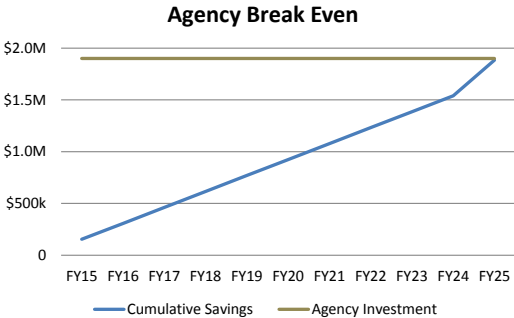
Opportunity Description

The backfill will require small relocations of the US Marshals (1740 USF), US Trustees (646 USF), and Federal Protective Service (544 USF) and US Forest Service (3500 USF) to other existing vacant space on the first floor of the Hansen building

These relocations will create a larger contiguous space on the upper floors to accommodate IRS

Potential Benefits

- RSF Reduction: 1,272 RSF (3%)
- Annual Rent Savings (w/o TI): \$344k (48%)
- Total Investment Costs: \$4.9M
 - Total Agency Upfront Costs: \$1.9M
 - Total GSA/Lessor Upfront Costs: \$3.0M
- Agency Break Even: 11.8 years



Recommended Next Steps

| Action | Lead | Date |
|--------------------|------|------|
| Complete Design | GSA | 1/16 |
| Start Construction | GSA | 3/16 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

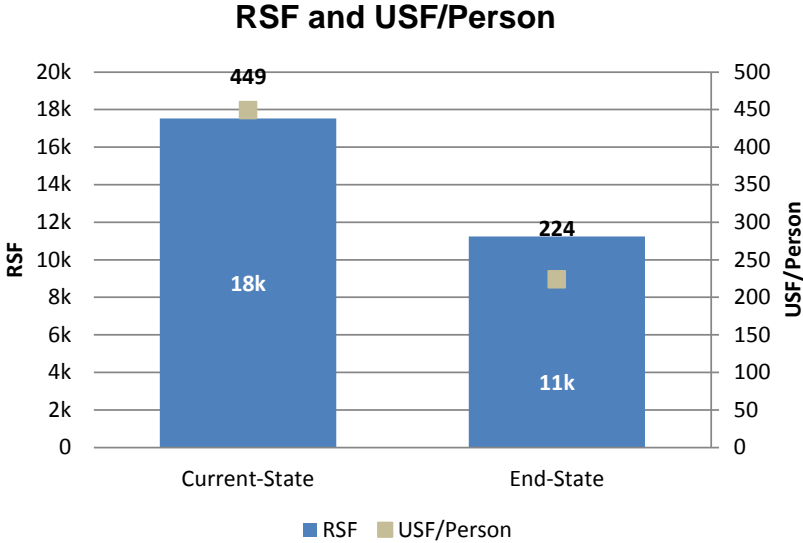
| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|---------|---------|-----|-------------------------|----------------------|
| Baseline | | Q1FY15 | \$717k | \$717k | 41,637 | 37,482 | 325 | 115 | 458 |
| Target | Consolidation | Q1FY17 | \$590k | \$373k | 40,365 | 29,250 | 325 | 90 | 444 |
| Annual TI Payment in Rent = | | \$217k | Cost / (Benefit): | (\$344k) | (1,272) | (8,232) | - | (25) | (14) |
| # Of Years TI is being amortized= | | 10 years | % Improvement: | (48%) | (3%) | (22%) | - | (22%) | (3%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|--------|------|-------|----------------------|------------------------------|-------------------|
| Total | \$1.9M | \$1.1M | \$1.8M | \$111k | | | \$1.9M | \$4.9M | 11.8 years |
| Funding Source(s) | | | | | | | | | |

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|--------------------------|-----------------|--------|---|--------|----------|---------------------------|
| IRS Hansen Consolidation | Leased to Owned | 8 | Relocate into space made available in the Hansen FB | Q1FY15 | Q1FY17 | Planning |
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- Lease to Owned space consolidation of 17,531 RSF (15,725 USF) located at 200 South Virginia, Reno NV into approximately 11,245 RSF (8,287 USF), including TAC, at the Clifton Young Federal Building
- There is a 36% RSF reduction and a UR reduction of 50% to 175 USF (Office). This is a recovery of vacant space project.



Wells Fargo Building



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|-------------------------|------------------|-----------------|---------|-------------|---------------|
| Wells Fargo Building | Leased | 17,531 | \$28.72 | \$503,490 | 3/6/2020 |

Reno, NV | Leased to Owned Consolidation

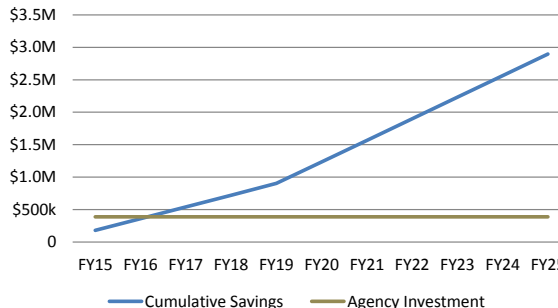
Opportunity Description

- This is a Leased to Owned space consolidation from 17,531 RSF (15,725 USF) located at 200 South Virginia, Reno NV into approximately 11,245 RSF (8,287 USF), including TAC, at the Clifton Young Federal Building, 300 Booth Street, Reno, NV.
- There is a 36% RSF reduction and a UR reduction of 50% to 175 USF (Office). This is a recovery of vacant space project.
- The lease expires 3/6/2020 with early termination rights after 3/6/2015. Current location OA has 120 day cancellation after 3/6/2015 commencement date.

Potential Benefits

- RSF Reduction: 6,286RSF (36%)
- Annual Rent Savings (w/o TI): \$332k (66%)
- Total Investment Costs: \$2.7M
 - Total Agency Upfront Costs: \$389k
 - Total GSA/Lessor Upfront Costs: \$2.3M
- Agency Breakeven: 2.6 years

Agency Break Even



Recommended Next Steps

| Action | Lead | Date |
|--------------------|---------|-------|
| Design Start | Bernatz | 10/15 |
| Construction Award | Bernatz | 5/16 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|---------------|------------------|------------------------|----------------------|---------|---------|----|-------------------------|----------------------|
| Baseline | | Q1FY15 | \$0.5M | \$0.5M | 17,531 | 15,725 | 35 | 449 | 193 |
| Target | Consolidation | Q1FY17 | \$0.4M | \$0.2M | 11,245 | 8,287 | 37 | 224 | 124 |
| Annual TI Payment in Rent = | | \$184k | Cost / (Benefit): | (\$0.3M) | (6,286) | (7,438) | 2 | (225) | (69) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (66%) | (36%) | (47%) | 6% | (50%) | (36%) |

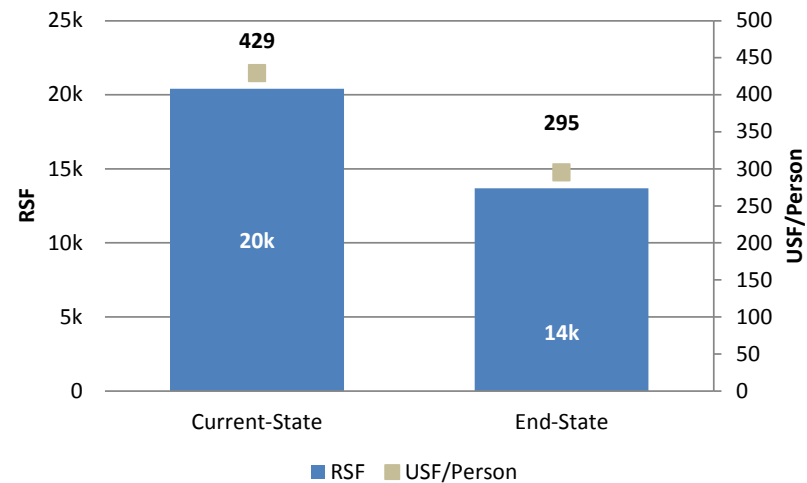
OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|-------------------|----------------|------------------------|-----------|--------|-------|--------|----------------------|------------------------------|-------------------|
| Total | \$757k | \$1.5M | \$111k | \$117k | \$35k | \$126k | \$389k | \$2.7M | 2.6 years |
| Funding Source(s) | | | | | | | | | |

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|---------------------|-----------------------------------|--------|--|--------|----------|---------------------------|
| Clifton Young, Reno | Leased to Owned - Space Reduction | 9 | Leased to Owned space consolidation from 17,531 RSF (15,725 USF) located at 200 South Virginia, Reno NV into approx 11,245 RSF (8,287 USF), including TAC, at Clifton Young Federal Building | 1QFY16 | 1QFY17 | Initiation |
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- IRS occupies 20,404 RSF lease at Ali'i Place which has 49 vacant workstations on the 12th Floor
- Releasing approximately 5,800 USF/6,728 RSF on the 12th Floor and consolidating other workstations and operations will decrease annual rent by approximately \$329,758

RSF and USF/Person



| Building Name | Owned/ Leased | Assigned RSF | \$/RSF | Annual Rent | OA Expiration |
|---------------|------------------|--------------|---------|-------------|---------------|
| Ali'i Place | Leased | 20,404 | \$52.69 | \$1,075,087 | 6/17/2020 |

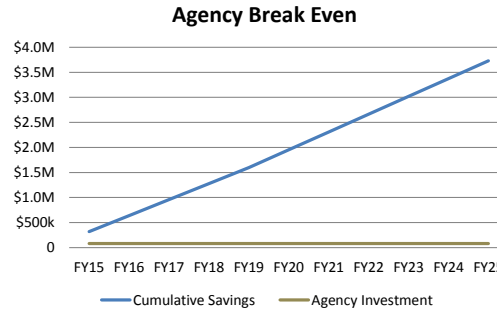
Honolulu, HI | Leased Contraction Consolidation

Opportunity Description

- With continuing staff attrition, the current lease at Ali'i Place has over 49 vacant workstations. A lease contraction of approx. 6,728 RSF on the 12th Floor will reduce the space and rental.
- The project is estimated to reduce IRS space to 13,676 RSF and save over \$354,499 in annual rent. UR factor will decrease from 429 to 295 or a decrease of 44%.

Potential Benefits

- RSF Reduction: 6,728 RSF (33%)
- Annual Rent Savings (w/o TI): \$355k (33%)
- Total Investment Costs: \$256k
 - Total Agency Upfront Costs: \$80k
 - Total GSA/Lessor Upfront Costs: \$176k
- Agency Break Even: 0.3 years



Recommended Next Steps

| Action | Lead | Date |
|--------------------------|------------|--------|
| Stakeholder Meeting | GSA | 1QFY16 |
| Requirements Development | Agency | 1QFY16 |
| Design Start | GSA/Agency | 1QFT16 |
| Design Complete | GSA/Agency | 2QFY16 |

Opportunity Review Status

| | |
|------------------------|----------|
| 1. GSA Central Office | Approved |
| 2. GSA Regional Office | Approved |
| 3. Client Agency | Approved |

OPPORTUNITY ANALYSIS

| | Action | Start (End) Date | Annual Rent (incl. TI) | Annual Rent (w/o TI) | RSF | USF | HC | All-in U/R (USF/Person) | GHG Emissions (Tons) |
|-----------------------------------|------------|------------------|------------------------|----------------------|---------|---------|------|-------------------------|----------------------|
| Baseline | | Q3FY15 | \$1.1M | \$1.1M | 20,404 | 17,590 | 41 | 429 | 224 |
| Target | Right-size | Q4FY16 | \$0.8M | \$0.7M | 13,676 | 11,790 | 40 | 295 | 150 |
| Annual TI Payment in Rent = | | \$41k | Cost / (Benefit): | (\$355k) | (6,728) | (5,800) | (1) | (134) | (74) |
| # Of Years TI is being amortized= | | 5 years | % Improvement: | (33%) | (33%) | (33%) | (2%) | (31%) | (33%) |

OPPORTUNITY INVESTMENT DATA

| | Build Out (TI) | Build Out (Core/Shell) | Furniture | IT | Move | Other | Agency Upfront Costs | Total Investment Costs (TIC) | Agency Break Even |
|--------------------------|----------------|------------------------|-----------|-----|------|-------|----------------------|------------------------------|-------------------|
| Total | \$176k | \$0 | \$0 | \$0 | \$6k | \$74k | \$80k | \$256k | 0.3 years |
| Funding Source(s) | | | | | | | | | |

| Project Name | Project Type | Region | Description | Start | Complete | gPM Current Project Phase |
|-----------------|-------------------|--------|---|--------|----------|---------------------------|
| Ali'i Place, HI | Lease Contraction | 9 | In-place space release of approximately 6,728 RSF | 1QFY16 | 4QFY16 | Initiation |
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Department of the Treasury
Internal Revenue Service

SECTION 4

Next Steps

Next Steps

The table below illustrates the continuing GSA and IRS strategic planning for FY15 – FY 17

| Task | Who | Timeframe |
|---|----------------|-------------------------|
| Implement IRS projects approved for FY14/15 Consolidation Funding | GSA Region POC | FY15-FY19 |
| Revise IRS FY16 CPP Work Plan to reflect current IRS project priorities | IRS/GSA | Oct - Nov |
| Support IRS' Strategic Facility Planning and help identify opportunities to consolidate IRS operations and identify potential projects for FY16 GSA Consolidation Funding | IRS/GSA | Oct - Nov |
| Identify high impact opportunities aligning with IRS goals and objectives through working sessions with IRS HQ, IRS Territory Managers, GSA CPP Team and GSA Regions with a focus on high ROI with minimal investment | IRS/GSA | Sept – Jan 2015-2016 |
| Continue strategic evaluation of Campus prospectus level projects and implement work place standards | IRS/GSA | Ongoing |



Department of the Treasury
Internal Revenue Service

SECTION 5

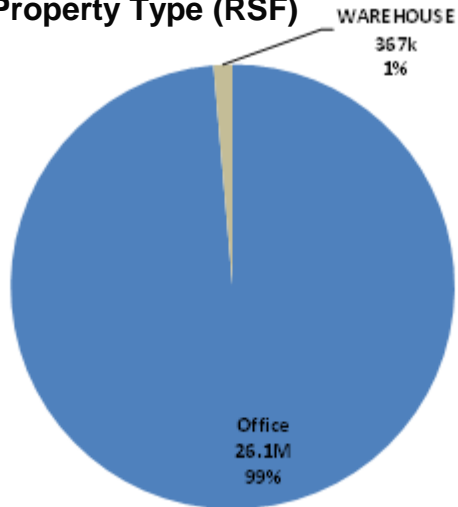
Supporting Detail – Portfolio Data

IRS National Occupancy

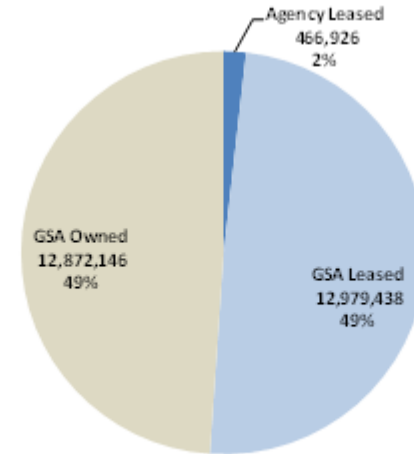
Observations:

- RSF occupied 26.3 million RSF
- Annual Rent Expense \$610 million
- 99% of IRS occupied space is in Office

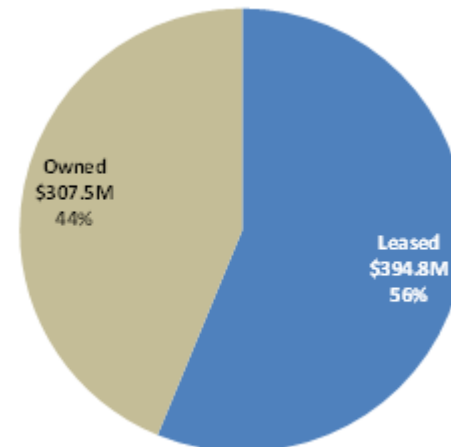
Property Type (RSF)



Owned/Leased (RSF)



Owned/Leased (Annual Rent)

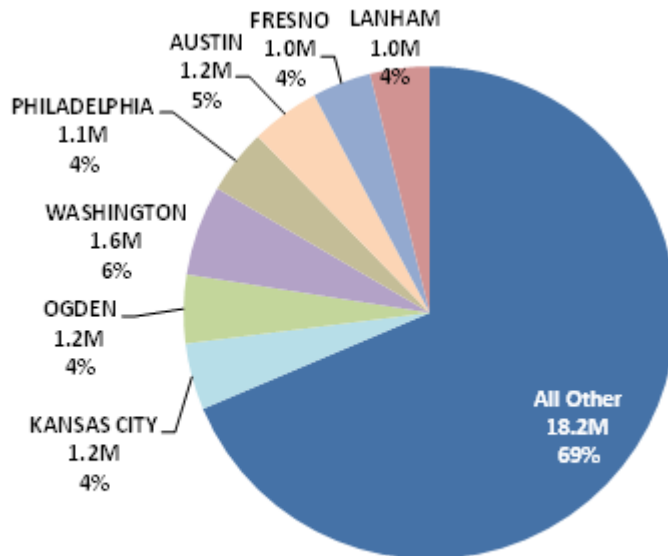


IRS Major Metropolitan Locations

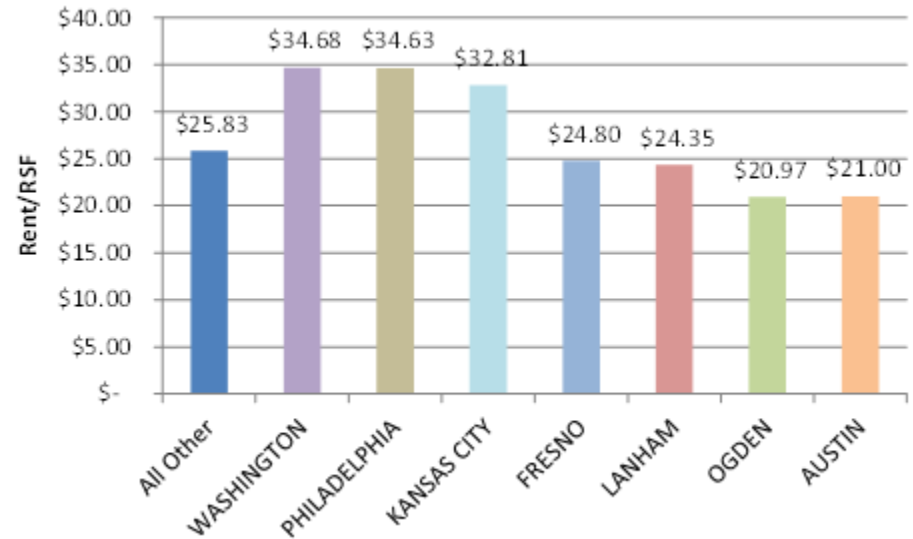
Observations:

- IRS has 6 large (> 1 Million RSF) Submission Processing and other Campus locations representing 22% of its total RSF portfolio.
- Washington DC and nearby Lanham, MD have 10% of IRS' Office RSF. Washington DC has the highest Rent per RSF of these 8 big city locations.

Major Metro locations Office RSF



Office Rent/RSF

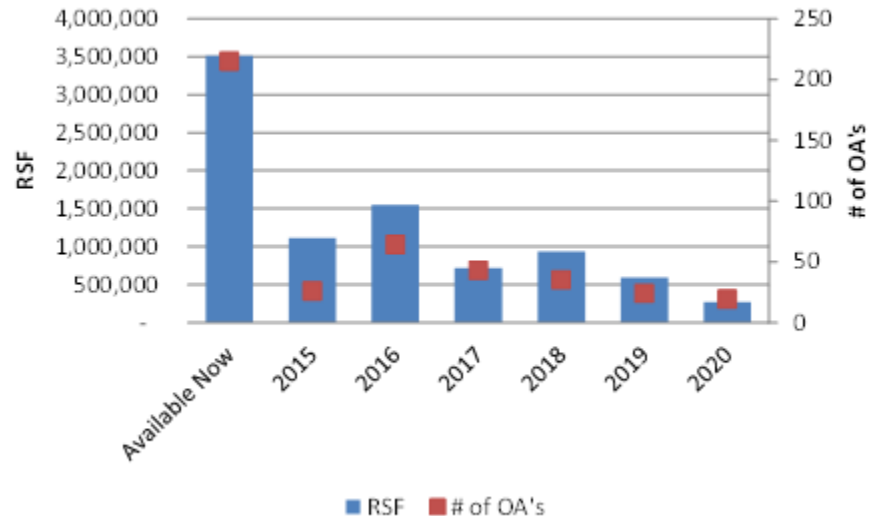


IRS Lease Expiration Timeline

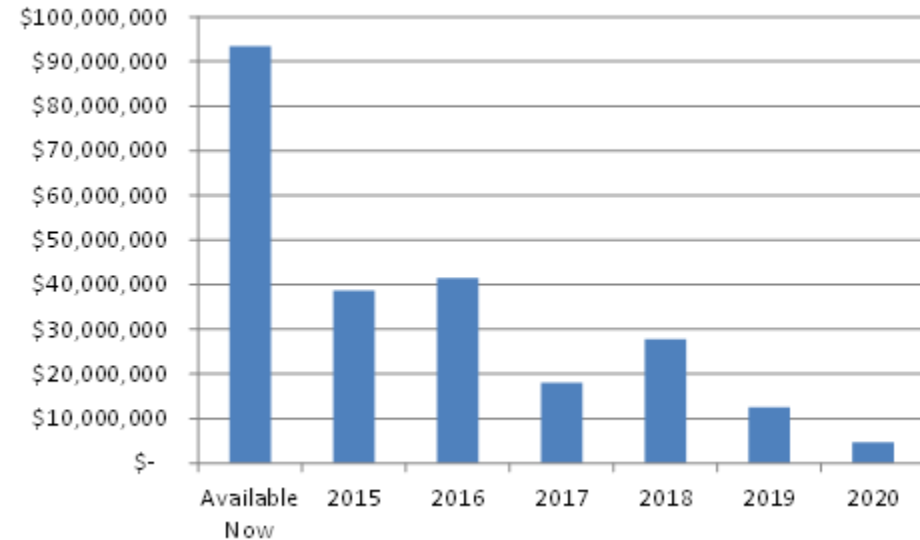
Observations:

- IRS has 426 OAs (8.7M RSF) in leased locations expiring within the next five years
- 241 of those OAs (4.6M RSF) are currently open for termination (total available now and in 2015)

Termination Year – RSF vs # of Expiring OA's



Termination Year – Annual Rent



IRS Facilities Management and Security Services (FMSS) Priorities

- 1) Strive to reduce current portfolio by approximately 600,000 - 800,000 RSF per year through 2020
- 2) Modernize and consolidate remaining outdated service centers
- 3) Expand IT Convergence
- 4) Continue to implement Virtual Call Sites, Co-Locations and Satellite/Hub offices



SECTION 6
Appendix

Supporting Resources and References

| Document Name | Document Source | Date | Applied Use |
|---|--|-------------|--------------------|
| See Appendix Data | IRS | March 2014 | Portfolio Analysis |
| GSA Master Data Template | GSA Office of Portfolio Management | Jan 2014 | Portfolio Analysis |
| IRS National Workplace Standards | IRS | 2014 | Portfolio Analysis |
| List of IRS Space Reduction Projects | IRS | March 2014 | Opportunities |
| Real Estate and Facilities Management Business Plan | IRS | 2014 | Portfolio Analysis |
| List of IRS FY15 Prospective Projects for GSA CPP | IRS | 2014 | Opportunities |
| Workplace+ Calculating Space Utilization | GSA Workplace+ PMO Bulletin 01-13 | 06/2013 | All Opportunities |
| Guidance for Calculating Scope 3 Emissions | World Business Council for Sustainable Development and World Resources Institute | August 2011 | All Opportunities |

CPP Team Roster

IRS Team

| Name | Role |
|--------------------|--------------------------|
| Kevin McIver | IRS Executive Sponsor |
| Tracey Showman | IRS Executive Sponsor |
| Kevin Schultz | IRS Stakeholder Champion |
| Tom Huba | IRS Stakeholder Champion |
| Chris Herin | IRS Stakeholder |
| Rob Stewart | IRS Stakeholder |
| Anne Spence | IRS Stakeholder |
| Jennifer Patterson | IRS Stakeholder |
| Skip Carroll | IRS Stakeholder |
| Patrice Tyrell | IRS Stakeholder |
| Ellen McSurdy | IRS Stakeholder |
| Debbie Huston | IRS Stakeholder |
| Karen Bryant | IRS Stakeholder |
| Patrick Smith | IRS Stakeholder |

CPP Team Roster

GSA Team

| Name | Role |
|------------------|-------------------------|
| Kevin Rothmier | CPP Executive Sponsor |
| Loaela Hammons | CPP Program Manager |
| Peter Kulp | CPP Team Lead |
| Peter Kulp | Account Management POC |
| Lisa McCoy | CPP Program Team |
| Alex Cross | Portfolio POC |
| Joel Thabatcher | Leasing POC |
| Gerald Mullarkey | Workplace Solutions POC |
| Gretchen Fisher | CBRE Consultant |
| Malcolm Squire | CBRE Analyst |
| Bill George | CPP Program Team - QC |

CPP Team Roster

Regional Team

| Region | IRS Account Management POC | CPP Regional POC |
|-----------|----------------------------|---|
| NAM | Peter Kulp | |
| Region 1 | Tina Reposa | David Krassnoff & Jesse Lafreniere |
| Region 2 | John Esposito | Maria Guida |
| Region 3 | Dorothy Grosick | Pat Zucca |
| Region 4 | Danny Sawyer | David Hofstetter, Jacqueline Watson, Danny Sawyer |
| Region 5 | Malinda Pennington | Tasneen Bhabhrawala & Rebecca Hood |
| Region 6 | Karla Wallace | Barbara Schmitt-Cole |
| Region 7 | Brian Mance | Matthew Madison, Jason Garlick & Debbie Venable |
| Region 8 | Debbie Underwood | Jana Faris & Debbie Underwood |
| Region 9 | Mike Bernatz | Mike Bernatz |
| Region 10 | Lillian Smiley | Peter Gray, Elizabeth Jessee, William George |
| Region 11 | Lisa Betts | Jason Hilton |

Contact Information

All inquiries regarding the program or the content of this portfolio plan should be directed first to the CPP Program Manager

CPP Program

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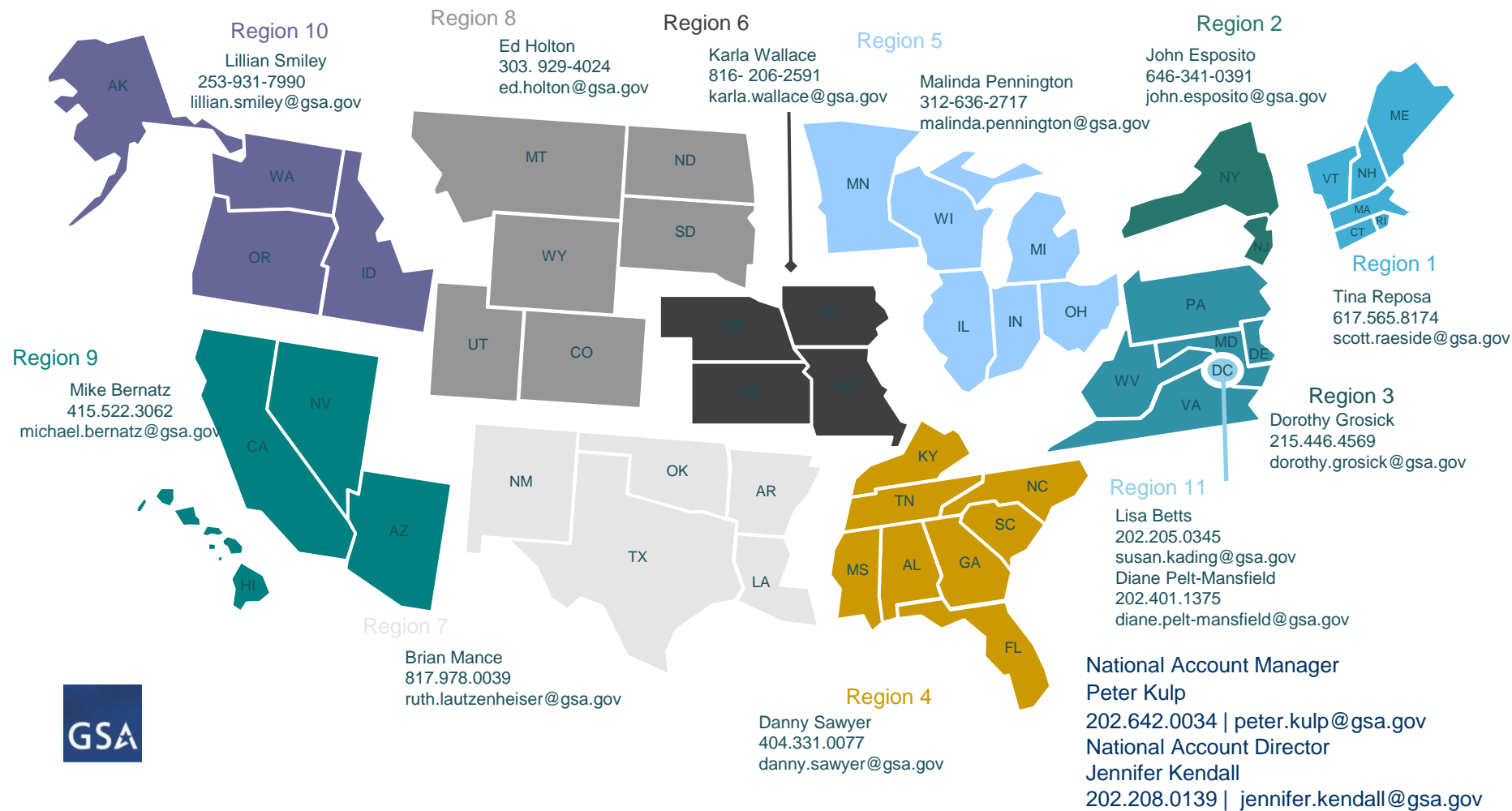
Peter Kulp
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peter.kulp@gsa.gov

Acronyms Used in this Report

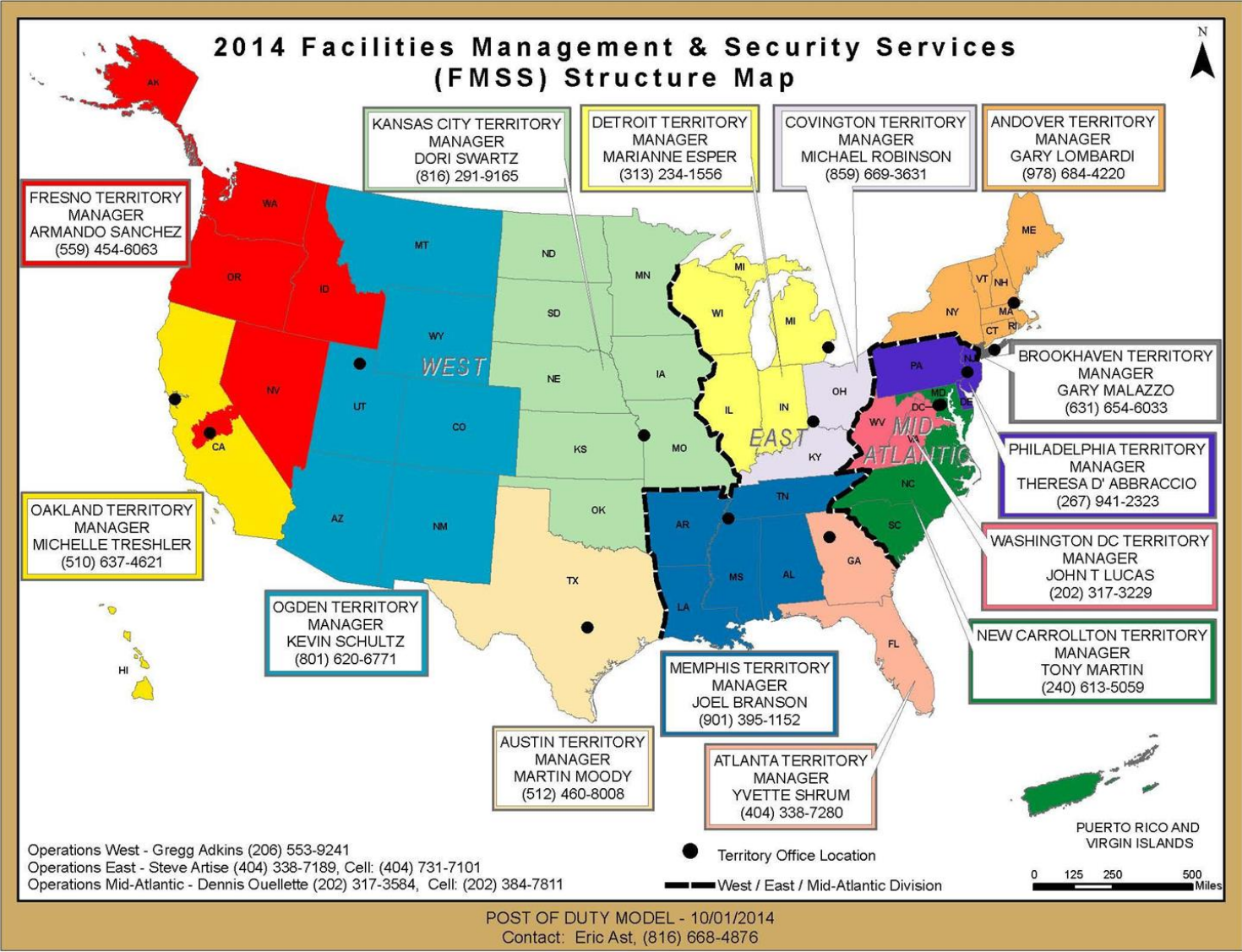
| Acronym | Definition |
|-------------------|---|
| FY | Fiscal Year The federal government's fiscal year runs from October 1 of the previous calendar year to September 30 of the year with which it is numbered. |
| GHG | Greenhouse Gas |
| GSA | General Services Administration |
| HQ | Headquarters |
| IRS | Internal Revenue Service |
| k | Thousand |
| M | Million |
| NCR | National Capital Region |
| OA | Occupancy Agreement An Occupancy Agreement is similar to a lease between GSA and each tenant agency in a building that establishes the rent and space assignment for each agency. Source: www.gsa.gov |
| OpEx | Operating Expense In a real estate context, operating expenses include non-rent costs associated with the operation and maintenance of a property. Source: www.gsa.gov |
| Break Even | The break even period (in years) is calculated by dividing the total investment cost by run-rate annual savings |
| RSF | Rentable Square Feet The rentable area typically includes the usable area within the tenant's premises plus an allocation of common areas of the building. Source: GSA Workplace |
| RWA | Reimbursable Work Authorization |
| UR | Utilization rate (USF/person) To calculate space efficiency of a location, divide total usable square feet by the personnel that occupy the space. Source: GSA Workplace |
| USF | Usable Square Feet The usable area is the amount of space that the agency uses, including total office, special, and storage spaces. Source: GSA Workplace |

GSA PBS Account Manager Network for IRS

December 2011



IRS Facilities Management and Security Services (FMSS) National Territories



Business Case Definitions

SELECTED GLOBAL fields

| Opportunity Analysis Component | Definition and limiting conditions | Reference / Source |
|--------------------------------|--|--|
| Baseline | <ul style="list-style-type: none"> The data and details necessary to establish the Present State of the real estate portfolio that contains all the property to be impacted by a series of tactics and associated with an Occupancy Plan Data are extracted in a consistent method from the GSA Master Data Template as inputs to the Business case tools (Business Case model, specialized tools, etc.) Minimum data required include: <ul style="list-style-type: none"> Property description and unique identifier Useable area Housed headcount Control (Owned / Leased; GSA- or Agency-) Control timeframe (Expiration date) Total Annual rent* For Business Case comparison purposes, ALL CONDITIONS are assumed as CONSTANT for the entire duration of the business case analysis term Business Case tool used to quantify annual costs, areas, and measures for comparison | <ul style="list-style-type: none"> GSA Master Data Template / GSA Portfolio Agency analyses and data / Individual Agency contacts and FRPP Business Case Model rel. 1 / Client Portfolio Planning & CBRE Business Case Principles Presentations / GSA Portfolio Jan – June 2013 (see extract on next page) |
| Target | <ul style="list-style-type: none"> The resultant End State of the portfolio after all Tactics have been implemented <ul style="list-style-type: none"> RSF, Rent, USF, HC (Headcount) are standard properties and not defined here Implementation Start / End Date: the earliest / latest date that is associated with any Tactic | <ul style="list-style-type: none"> Business Case Model Regional analyses Consolidation Fund model |
| Tactics | <ul style="list-style-type: none"> When all tactics are combined, these comprise the Strategic Plan for the Portfolio that is being analyzed and optimized Each individual Tactic is a time bounded action which impacts the performance metrics of the Portfolio Minimum data required include: <ul style="list-style-type: none"> Tactic date and building impacted by the proposed change Area subject to construction (see Build Out definitions) Change in area to be occupied and subject to recurring rent and operating costs Changes in headcount assigned to each individual location Construction scope and unit costs | <ul style="list-style-type: none"> Opportunity Card / Opportunity Description by CPP teams Unit Costs from WIFM v1i / GSA Workplace |
| Net Improvement | <ul style="list-style-type: none"> Changes in key metrics of RSF, USF, Rent, USF/HC, and Greenhouse gases | N/A |

* Note: The Master Data template includes both an ANNUAL Total and unit costs on a \$/RSF basis; when computation of the Annual rent based on the MDT unit rates is at variance with the ANNUAL Total rent, Business cases use the ANNUAL Total rent and include an "Other" unit rate adjustment in the detailed Operating Cost section of the Business Case Analysis Tool(s).

Opportunity Card Definitions

SUMMARY HIGHLIGHTS

| Item | Definition |
|--|---|
| Opportunity Description | Describe the scope of the opportunity. Explain movement between buildings, expiration dates, etc. This section gives the reader an understanding of what implementing the opportunity entails. |
| Potential Benefits: RSF Reduction | The amount of RSF change between the Baseline and Target plans, including the percentage of change in parentheses |
| Annual Rent Savings (w/o TI) | Difference between Baseline Annual Rent versus forecasted Target Annual Rent without costs of Build Out amortization included in the Target Annual Rent. |
| Total Investment Costs | Sum of all GSA and Agency Costs. Also shown as TIC amount in the OPPORTUNITY INVESTMENT DATA table. |
| Total Agency Upfront costs | Sum of Furniture + IT + Move + Other in the OPPORTUNITY INVESTMENT DATA table. (FIT funds are included here and are <i>not</i> included in the annual rent as amortized costs.) |
| Total GSA Upfront costs | Sum of Build Out (TI) and Build Out (Core/Shell) from OPPORTUNITY INVSTMENT DATA table. |
| Agency Break even | Calculated number of years for the Agency to recoup the Agency Upfront Costs. Also shown in the OPPORTUNITY INVESTMENT DATA table. |
| Agency Priority | How this Opportunity is expected to be prioritized by the Agency. Rank by number (X) out of (XX). XX is the number of opportunities in the PR3. |
| Ability to Fund (FYXX) | FYXX identifies timing that funds would first be needed. Also include a subjective estimation of GSA's and the Agency's ability to fund – either High, Medium, or Low |
| Recommended Next Steps | Short list of time-bounded & assigned accountabilities for priority / major next steps or milestones to achieve the Opportunity benefits. Can change over time and will reflect contemporary situation. |
| Opportunity Review Status | Statement of key Stakeholder support of the Opportunity. Valid values: <ul style="list-style-type: none"> - Approved - In Process - Initiated - Rejected |

* Note: GSA's Business Case Analysis Model and specialized Regional worksheets are typically used to develop these data. Business Case Appendix materials identify Sources.

Opportunity Card Definitions

OPPORTUNITY ANALYSIS table

| Item | Definition |
|-----------------------------|---|
| Baseline | <ul style="list-style-type: none"> The data and details necessary to establish the Present State of the real estate portfolio that contains all the property to be impacted by a series of tactics and associated with an Occupancy Plan Data are extracted in a consistent method from the GSA Master Data Template as inputs to the Business case tools (Business Case model, specialized tools, etc.) Minimum data required include: <ul style="list-style-type: none"> Property description and unique identifier Useable area Housed headcount Control (Owned / Leased; GSA- or Agency-) Control timeframe (Expiration date or Owned) Total Annual rent* For Business Case comparison purposes, ALL CONDITIONS are assumed as CONSTANT for the entire duration of the business case analysis term Business Case tool used to quantify annual costs, areas, and measures for comparison |
| Target | Forecasted future conditions (“End State”) scenario and associated measures. See Baseline definition. |
| Action | <p>Strategy to be used to implement changes between Baseline and Target scenarios. Possible selections include:</p> <ul style="list-style-type: none"> - Consolidation - Relocation - Right Size in Place - Cost Avoidance - Capital Deployment - Market Driven - Process / Service Improvement - Sustainability |
| Start (End) Date | Expected Quarter & Fiscal year timings associated with the Business Case Action. Stated in in the format of “0Q FY00” |
| Annual Rent (w/TI) | Difference between Baseline Annual Rent versus assumed Target Annual Rent including costs of Build Out amortization as additional rent (see “Annual TI Payment in Rent”). Values are consistent for Business Case purposes. Not for Budgets. |
| Annual Rent (w/o TI) | Difference between Baseline Annual Rent versus forecasted Target Annual Rent without costs of Build Out amortization included in the Target Annual Rent. Values are consistent for Business Case purposes. Not for Budgets. |

* Note: The Master Data template includes both an ANNUAL Total and unit costs on a \$/RSF basis; when computation of the Annual rent based on the MDT unit rates is at variance with the ANNUAL Total rent, Business cases use the ANNUAL Total rent and include an “Other” unit rate adjustment in the detailed Operating Cost section of the Business Case Analysis Tool(s).

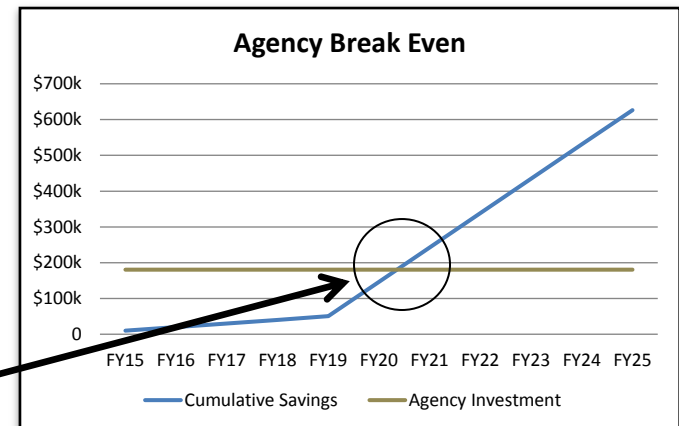
Opportunity Card Definitions

OPPORTUNITY ANALYSIS table

| Item | Definition |
|--|--|
| RSF | Rentable Square Feet that are analyzed in Baseline and Target scenarios. |
| USF | Useable Square Feet that are analyzed in Baseline and Target scenarios. |
| HC | HEADCOUNT ("HC") assumed to be housed in Baseline and Target scenarios |
| All-in UR | Utilization rate for Baseline and Target scenarios. Calculated by dividing Baseline- or Target-USF by the appropriate HC. |
| GHG Emissions (Tons) | Assessment of Green House Gas emissions for each scenario. Default calculation = $(RSF \times 22 \text{ lbs./RSF}) \div 2,000 \text{ lbs./ton}$ |
| Annual TI Payment in Rent | Annual rent paid by Agency to repay GSA for Build Out investments associated with the Opportunity. Appropriate cost of funds and monthly amortization schedule converted to annual amount. |
| Cost / (Benefit) and %Improvement | Quantification of change between Baseline and Target scenarios. Cost / (Benefit) in numerical form. %Improvement as a percent and calculated by dividing Cost / (Benefit) by corresponding Baseline value. |
| # of years TI is being amortized | Number of years an Agency would repay Build Out as additional Rent. DEFAULT = 5 years. |
| Savings Achieved to Date | Periodic tabulation of ACTUAL results across all metrics. See Project Card descriptions. |

AGENCY BREAK EVEN graph

| Segment | Definition |
|---------------------------|---|
| Cumulative Savings | Total of Annual Rent savings accumulated over time. Annual Rents include adjustments for TI Amortization. |
| Agency Investment | Running sum of <i>Total Agency Upfront costs</i> displayed on an annual basis. |
| Break Even | Point where Cumulative Savings cross the Agency Investment line; representative of the number of years that are required to fully recoup, on a simple-payback basis, the Agency Upfront Costs |



Opportunity Card Definitions

OPPORTUNITY INVESTMENT DATA table

| Investment Data Category | Definition and limiting conditions | Reference / Source |
|---------------------------------|---|---|
| Build Out (TI) | <ul style="list-style-type: none"> There are 3 potential scopes of work that are eventually intended to be included in this category and are derived from GSA Workplace WIFM tool definitions for consistency: <ul style="list-style-type: none"> Minimal Refresh Renovate New Build Out <p>In the majority of the CPP business cases, NEW BUILD OUT scope is assumed when projects are in the early stage of development and generally aligns with:</p> <ul style="list-style-type: none"> Investments required to improve space from a “warm, lit shell” condition and ready the premises for the installation of furnishings and other personal property Investments for ALL construction costs whether paid by the Agency or GSA without reduction for any available Tenant Improvement Allowance provided either by a 3rd party Landlord or a GSA Tier allowance Adjustments for location and escalation over time included DEFAULT Workplace assumption: 80% workstation / 20% office space allocations assumed unless stated otherwise; 10% special space included and assumed at Support Space unit costs DEFAULT Unit costs based on a “Typical” project size of approx. 100k square feet, 500 housed headcount with NO desk sharing, standard office @ 120 nsf; standard workstation @ 64 nsf; Interaction level = High as defined in WIFM tool <p>In many business cases, project estimates for Build Out costs have been prepared by Regional / Agency teams; these are considered to be more accurate and are included whenever possible. Comments in the business case analysis tools will identify when these assumptions have been used and summaries will be included in the PR3.</p> | <ul style="list-style-type: none"> WIFM / GSA Workplace GSA Project Cost Planning Guide; Dec 2013 as incorporated into WIFM assumptions and planning forecasts and updated for Repair and Alteration scopes in Dec 2013 / GSA Design and Construction and GSA Workplace |
| Build Out (Core / Shell) | <ul style="list-style-type: none"> NOT TYPICAL: For Client Portfolio Planning business cases, it is unlikely that these costs will be attributed to a Client Agency business case and are typically assumed to be out-of-scope for CPP business case purposes (Note: these costs are typically captured in the GSA “Lease vs. Own” analysis processes) Core / Shell costs If included: Investments required to create or otherwise modify building systems or components and establish a “warm, lit shell” condition which is ready for Build Out investments; justification for inclusion in Agency Business Case provided | <ul style="list-style-type: none"> GSA Asset and Portfolio teams The Automated Prospectus System (TAPS) tool Prospectus approval documents / varies |

Opportunity Card Definitions

OPPORTUNITY INVESTMENT DATA table

| Investment Data Category | Definition and limiting conditions | Reference / Source |
|--------------------------|--|--|
| Furniture | <ul style="list-style-type: none"> Costs for NEW furnishings and other personal property installed in space that has been improved in accordance with the Build Out conditions above (Note: variances to NEW standard assumption will identify appropriate scope, assumptions, and estimate source) Furniture and equipment for standard Offices, Workstations, Conference rooms, filing, and standard support areas; other areas as needed and identified Does not include personal property such as, but not limited to, printers, computers, phone switches or other specialized equipment Workplace assumption: 80% workstation / 20% office space allocations assumed unless stated otherwise NO COSTS included for 10% special space in addition to Workplace area assumed unless stated otherwise DEFAULT Unit costs based on a "Typical" project size of approx. 100k square feet, 500 housed headcount with NO desk sharing, standard office @ 120 nsf; standard workstation @ 64 nsf; Interaction level = High as defined in WIFM tool | <ul style="list-style-type: none"> WIFM v1i / GSA Portfolio and Workplace teams GSA national furniture purchasing schedule / GSA FAS Standard Office furniture components analysis / GSA Portfolio; December 2013 Business Case Model Consolidation Fund worksheet Specialized Regional analyses |
| IT | If available and applicable, costs identified for IT that are not included in any other category such as, but not limited to, printers, computers, cell phones, phone switches, data rooms, etc. | <ul style="list-style-type: none"> Agency GSA Others |
| Move | <ul style="list-style-type: none"> Investments for relocating personnel within the local market (limit approx. 15 miles) DEFAULT \$3/USF for each property being exited (unless other assumption identified) Adjustments for location and escalation NOT included or available | <ul style="list-style-type: none"> GSA pricing schedules and Rough order of magnitude best practices / GSA Portfolio and Region interviews |
| Other | Catch all category for all other investments including but not limited to Change management program costs, termination penalties, fees, specialized equipment, etc. | <ul style="list-style-type: none"> Varies |

Opportunity Card Definitions

OPPORTUNITY INVESTMENT DATA table

| Investment Data Category | Definition and limiting conditions | Reference / Source |
|-------------------------------------|--|--|
| Total Investment Costs (TIC) | <ul style="list-style-type: none"> Forecasted investment requirements to implement Target Sum of Build Out, Furniture, IT, Move and Other costs | <ul style="list-style-type: none"> Business Case Model Consolidation Fund worksheet Specialized Regional analyses |
| Agency Upfront Costs | <ul style="list-style-type: none"> Sum of Furniture + IT + Move + Other in the OPPORTUNITY INVESTMENT DATA table. (FIT funds are included here and are <i>not</i> included in the annual rent as amortized costs.) | <ul style="list-style-type: none"> GSA Project teams |
| Agency Break Even | <ul style="list-style-type: none"> Number of years that are required to fully recoup, on a simple-payback basis, the Agency Upfront Costs Calculation is dependent on length of time and rent reduction forecast; see special instructions in Appendix | <ul style="list-style-type: none"> GSA Pricing guidance and calculation methods; June 2014 |
| Funding Sources | <ul style="list-style-type: none"> Identification of expected Budget source for required investments Agency-related Sources are summed in the Agency Upfront Costs field | <ul style="list-style-type: none"> GSA project teams GSA and Agency finance staff |

Additional notes:

1. The investment values displayed in the OPPORTUNITY INVESTMENT DATA table typically represent a Planning / Business Case level of detail and **are not cost estimates**; accordingly, these investment values are not recommended for use in Budgeting or Project commitments without review of scopes and applicability of cost factors.
2. As noted above, other significant investments may be required to create the “warm, lit shell” conditions and are excluded from all Tenant Agency perspectives and forecasts.

Opportunity Card Definitions

Agency Break Even calculations

Selecting appropriate method for Break Even Year Calculation:

Use **Formula 1** if:

Target Annual Rent w/TI IS LESS THAN The Baseline Annual Rent w/TI (it is possible to break even during the amortization period)

If y ends up being > the # of years amortized, use **Formula #2** to determine the Break Even Year.

Use **Formula 2** if:

Target Annual Rent w/TI IS GREATER THAN The Baseline Annual Rent w/Tis (break even will exceed the TI amortization period)

Formula 1 (capturing costs during the years with TI):

Break Even Year = $\frac{\text{Agency Upfront Costs}}{(\text{Baseline Annual Rent w/TI} - \text{Target Annual Rent w/ TI})}$

Formula 2 (capturing costs after TI drops off):

Break Even Year = $\frac{\text{Annual TI Payment in Rent} * \text{\# of years TI is amortized} + \text{Agency Upfront Costs}}{(\text{Baseline Rent w/o TI} - \text{Target Rent w/o TI})}$

Opportunity Card Definitions

Agency Break Even calculations

Calculate ANNUAL RENT (w/TI)

Step 1: Establish the Opportunity's total Annual Rent w/o TI

For projects in owned space, there is no PBS fee.

For projects in leased space, assume a PBS fee of 7% that is applied to the entire rent.

In some leases, the space may have a non-cancelable OA (not as common). If those instances are known, the PBS fee is 5%.

Step 2: Calculate the Additional Rent (Annual TI amortization) and add it to the Annual Rent w/o TI

Annual TI Payment in Rent calculation in Excel:

$=PMT(TI \text{ Amortization Rate}, \text{Amortization Term in Months}, \text{Build Out (TI)}) * 12$

Example: Convert \$16,502,881 in TI to additional Annual Rent

Formula: **$=PMT(0.02835/12, 60, 16502881) * 12$**

VARIABLES:

TI Amortization Rate - for any project in federal space or funded by the Consolidation Fund (owned or leased), assume an amortization rate of 2.835%. For any other leased project (i.e. TI funded by the lessor), assume an amortization rate of 5.835%.

Amortization Term in Months – Default repayment term is 5 years or 60 months (unless otherwise specified)

Build Out (TI) - The total TI cost to be amortized (unless otherwise specified)

Notes:

- The Annual TI Payment in Rent will come out of the calculation as a negative number. Make it a positive number and round to the nearest whole dollar.
- Consult the Pricing Team and Program Team if there are any tenant requested shell improvements or mid-occupancy / post-initial occupancy requests for TI. In consultation with Pricing, the Program Team will provide guidance on how to show these costs in Build Out (TI) section.

Opportunity Card Definitions

Agency Break Even calculation derivations

EXAMPLE calculations derivations

Formula 1 (capturing costs during the years with TI):

$$\text{Break Even Year} = \frac{\text{Agency Upfront Costs}}{(\text{Baseline Annual Rent w/TI} - \text{Target Annual Rent w/ TI})}$$

y = Break Even Year

Old Cost = Baseline Annual Rent w/TI * y

New Cost = Target Annual Rent w/TI * y + Upfront Tenant Costs

Break Even happens when Old Cost = New Cost

Therefore, set Old and New Costs equal to each other:

$$\text{Baseline Annual Rent w/ TI} * y = \text{Target Annual Rent w/ TI} * y + \text{Upfront Tenant Costs}$$

Rearranging:

$$\text{Baseline Annual Rent w/ TI} * y - \text{Target Annual Rent w/ TI} * y = \text{Upfront Tenant Costs}$$

Solving for y:

$$y = \frac{\text{Upfront Tenant Costs}}{(\text{Baseline Annual Rent w/TI} - \text{Target Annual Rent w/TI})}$$

Formula 2 (capturing costs after TI drops off):

$$\text{Break Even Year} = \frac{\text{Annual TI Payment in Rent} * \# \text{ of years TI is amortized} + \text{Agency Upfront Costs}}{(\text{Baseline Rent w/o TI} - \text{Target Rent w/o TI})}$$

y = Break Even Year

Old Cost = Baseline Rent w/o TI * y

New Cost = Target Rent w/o TI * y + Annual TI amount * # of years amortized + Upfront Tenant Costs

Break Even happens when Old Cost = New Cost

Therefore, set Old and New Costs equal to each other:

$$\text{Baseline Rent w/o TI} * y = \text{Target Rent w/o TI} * y + \text{Annual TI amount} * \# \text{ of years amortized} + \text{Upfront Tenant Costs}$$

Rearranging:

$$\text{Baseline Rent w/o TI} * y - \text{Target Rent w/o TI} * y = \text{Annual TI amount} * \# \text{ of years amortized} + \text{Upfront Tenant Costs}$$

Solving for y:

$$y = \frac{\text{Annual TI amount} * \# \text{ of years amortized} + \text{Upfront Tenant Costs}}{(\text{Baseline Rent w/o TI} - \text{Target Rent w/o TI})}$$

Opportunity Card Definitions

Agency Break Even misc.

| Other Definitions and Limiting Conditions | |
|---|---|
| Savings Achieved to Date | This is the sum of the Outcome Report Savings from any projects that have completed Outcome Reports. |
| Build Out (TI) | Enter the Total TI for the Opportunity |
| Build Out (Core and Shell) | WILL NOT be included in the Annual Rent w/TI field |
| Build Out (Shell) | Enter the shell costs for the Opportunity Assume GSA will be paying the upfront costs for any project in federal space or funded by the Consolidation Fund Note: Consult the Pricing Team and Program Team if there are any tenant requested shell improvements or mid-occupancy / post-initial occupancy requests for TI. In consultation with Pricing, the Program Team will provide guidance on how to include and display these costs in Build Out (TI) fields. |
| Furniture and IT | Do NOT include amortization of these investments as additional Annual Rent Assume no fees or interest rates unless otherwise specified. Consult with the Program Team re: any current fees if TW/FIT is being used. |



DEPARTMENT OF THE TREASURY

Real Estate Portfolio Overview

Data as of 2Q FY15

| | |
|------------------|-------------------|
| Total RSF | 26,318,510 |
| Owned RSF | 12,872,146 |
| Leased RSF | 12,979,438 |

| | |
|--------------------------|-----------------------|
| Total Annual Rent | \$ 610,184,776 |
| Owned Rent | \$ 250,417,074 |
| Leased Rent | \$ 359,767,702 |

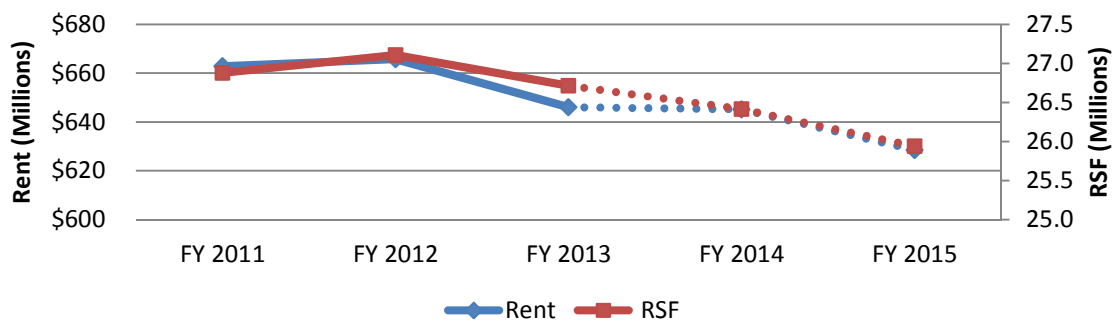
Top 5 Markets

Washington-Arlington-Alexandria, DC-VA-MD-WV
 New York-Newark-Jersey City, NY-NJ-PA
 Cincinnati, OH-KY-IN
 Kansas City, MO-KS
 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD

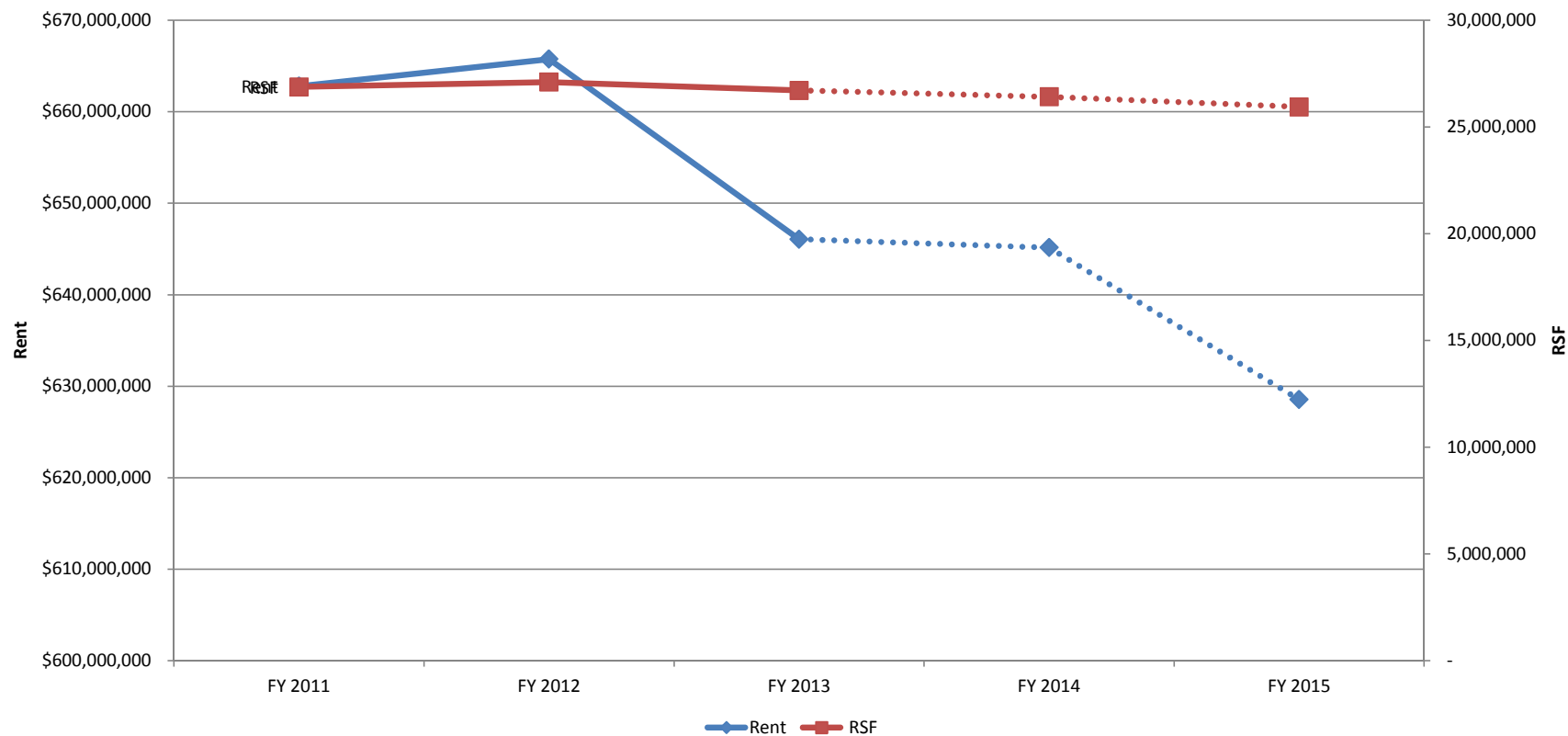
Number of Occupancy Agreements

720

Agency Rent & RSF Trends (FY11-FY15)



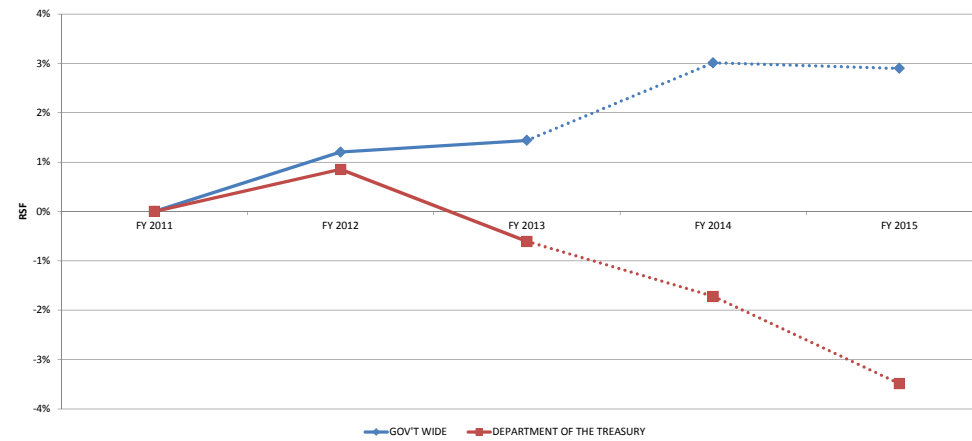
Agency Rent & RSF Trends (FY11-FY15)



| | FY 2011 | | FY 2012 | | FY 2013 | | FY 2014 | | FY 2015 | |
|-------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|--------------------|
| Rent | \$ | 662,794,335 | \$ | 665,755,273 | \$ | 646,074,124 | \$ | 645,151,444 | \$ | 628,532,273 |
| Leased | \$ | 406,346,793 | \$ | 406,298,981 | \$ | 395,812,167 | \$ | 388,658,618 | \$ | 375,672,564 |
| Owned | \$ | 256,447,542 | \$ | 259,456,292 | \$ | 250,261,957 | \$ | 256,492,827 | \$ | 252,859,708 |
| RSF | | 26,877,548 | | 27,106,714 | | 26,714,410 | | 26,414,823 | | 25,940,148 |
| Leased | | 13,997,781 | | 14,354,094 | | 13,820,540 | | 13,322,955 | | 12,688,292 |
| Owned | | 12,879,767 | | 12,752,620 | | 12,893,870 | | 13,091,868 | | 13,251,856 |

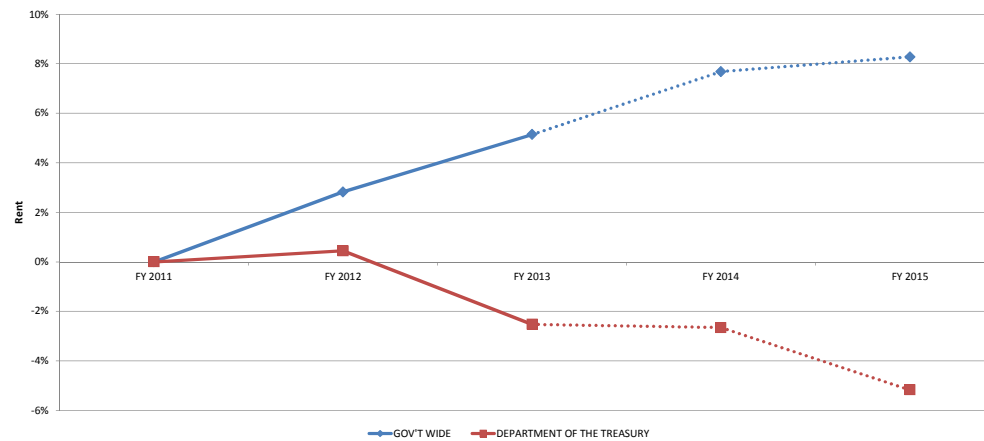
Source: FY15 Rent Estimate

RSF Changes Over FY 2011 Baseline



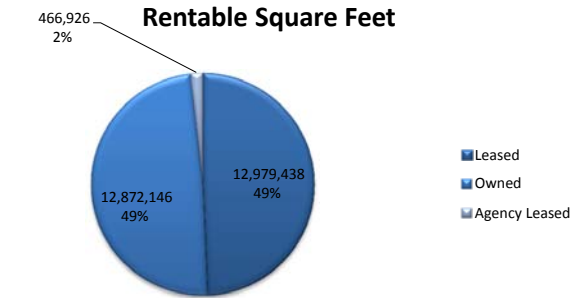
| RSF | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 |
|--|-----------|-----------|------------|------------|------------|
| Government-Wide RSF Increase Over FY11 Baseline | | | | | |
| Leased | 0% | 2% | 2% | 3% | 3% |
| Owned | 0% | 0% | 1% | 3% | 3% |
| GOV'T WIDE | 0% | 1% | 1% | 3% | 3% |
| Agency RSF Increase/Decrease Over FY11 Baseline | | | | | |
| Leased | 0% | 3% | -1% | -5% | -9% |
| Owned | 0% | -1% | 0% | 2% | 3% |
| DEPARTMENT OF | 0% | 1% | -1% | -2% | -3% |

Rent Changes Over FY 2011 Baseline



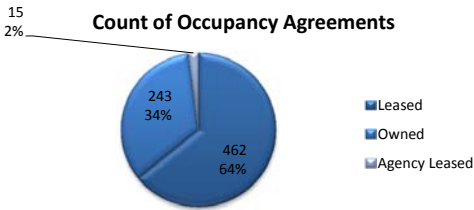
| Rent | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 |
|--|-----------|-----------|------------|------------|------------|
| Government-Wide RSF Increase Over FY11 Baseline | | | | | |
| Leased | 0% | 3% | 5% | 6% | 7% |
| Owned | 0% | 2% | 5% | 10% | 10% |
| GOV'T WIDE | 0% | 3% | 5% | 8% | 8% |
| Agency RSF Increase/Decrease Over FY11 Baseline | | | | | |
| Leased | 0% | 0% | -3% | -4% | -8% |
| Owned | 0% | 1% | -2% | 0% | -1% |
| DEPARTMENT OF | 0% | 0% | -3% | -3% | -5% |

Source: FY14 Rent Estimate



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

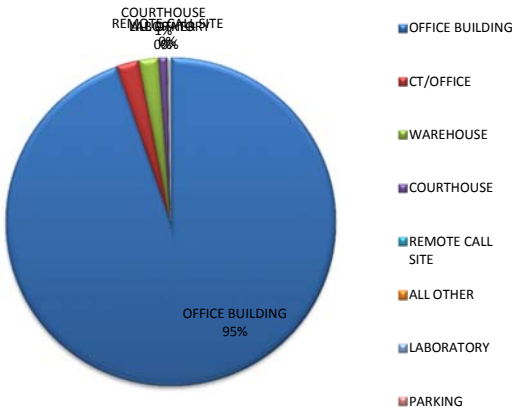
| | Assigned RSF | Sum of Annual Rent |
|---------------|--------------|--------------------|
| Leased | 12,979,438 | 359,767,702 |
| Owned | 12,872,146 | 250,417,074 |
| Agency Leased | 466,926 | |
| Grand Total | 26,318,510 | 610,184,776 |



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

| | Count of OA's | Annual Rent |
|---------------|---------------|-------------|
| Leased | 462 | 359,767,702 |
| Owned | 243 | 250,417,074 |
| Agency Leased | 15 | |
| Grand Total | 720 | 610,184,776 |

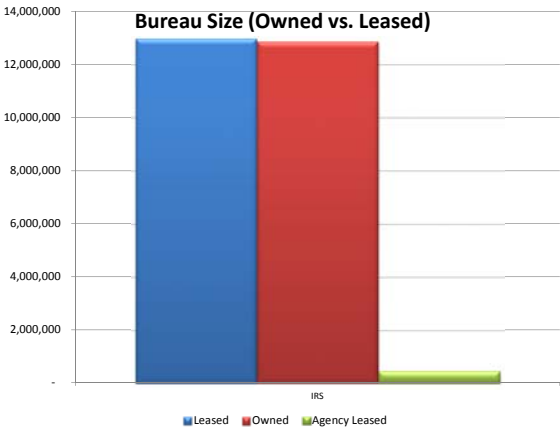
Property Types



| | |
|-------------|----------------------------|
| Agency Name | DEPARTMENT OF THE TREASURY |
| Bureau Name | IRS |

| Space Type | Sum of Assigned RSF | Count of OA's |
|------------------|---------------------|---------------|
| OFFICE BUILDING | 24,916,244 | 629 |
| CT/OFFICE | 590,773 | 46 |
| WAREHOUSE | 510,608 | 6 |
| COURTHOUSE | 222,337 | 15 |
| REMOTE CALL SITE | 66,951 | 1 |
| ALL OTHER | 9,436 | 3 |
| LABORATORY | 2,161 | 1 |
| PARKING | - | 19 |
| Grand Total | 26,318,510 | 720 |

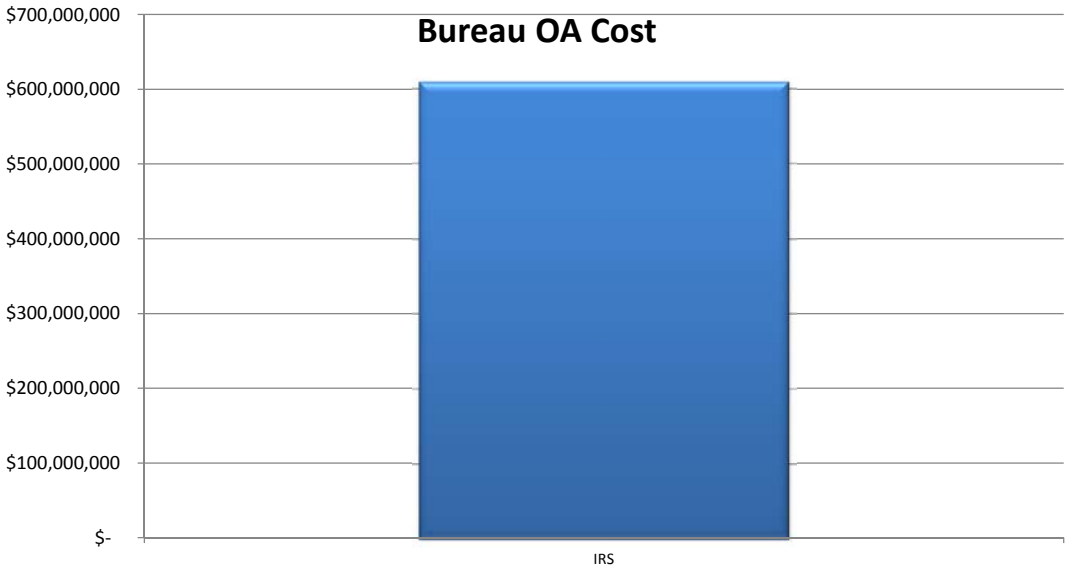
Bureau Size (RSF)



Agency Name (All)

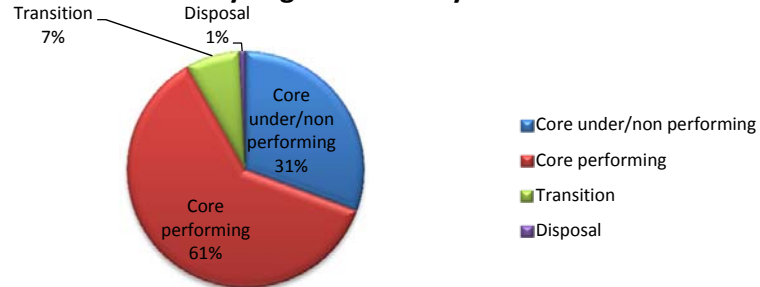
| Bureau | Leased | Owned | Agency Leased | Grand Total |
|-------------|------------|------------|---------------|-------------|
| IRS | 12,979,438 | 12,872,146 | 466,926 | 26,318,510 |
| Grand Total | 12,979,438 | 12,872,146 | 466,926 | 26,318,510 |

Internal Revenue Service
Bureau OA Cost Breakdown



| | | |
|-------------|----|----------------------------|
| Agency Name | | DEPARTMENT OF THE TREASURY |
| Bureau | | Annual Rent |
| IRS | \$ | 610,184,776 |
| Grand Total | \$ | 610,184,776 |

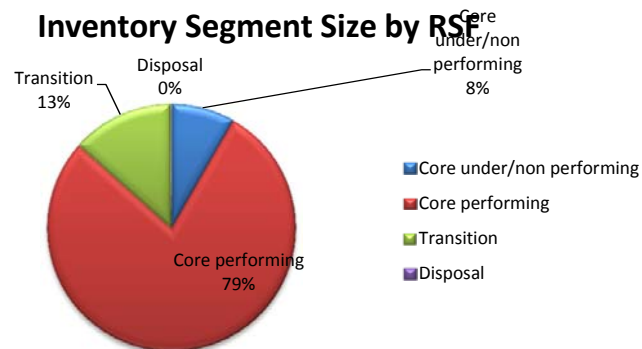
Inventory Segment Size by Locations



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

| Number of OA's | |
|---------------------------|------------|
| Core under/non performing | 75 |
| Core performing | 150 |
| Transition | 18 |
| Disposal | 2 |
| Grand Total | 245 |

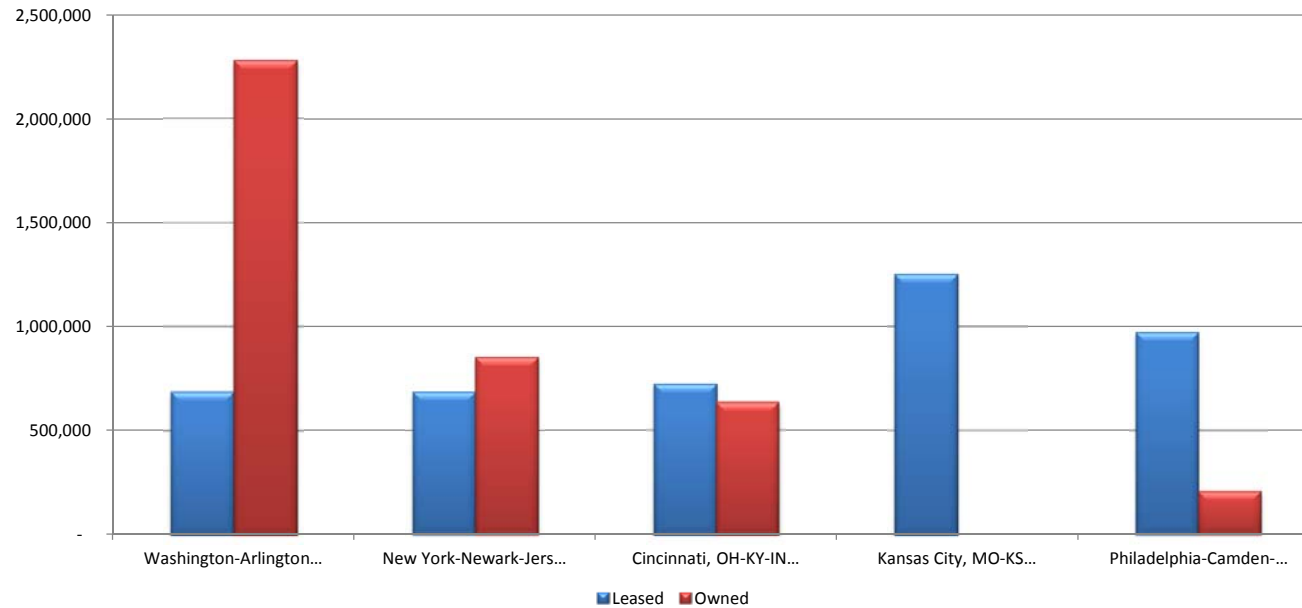
Inventory Segment Size by RSF



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

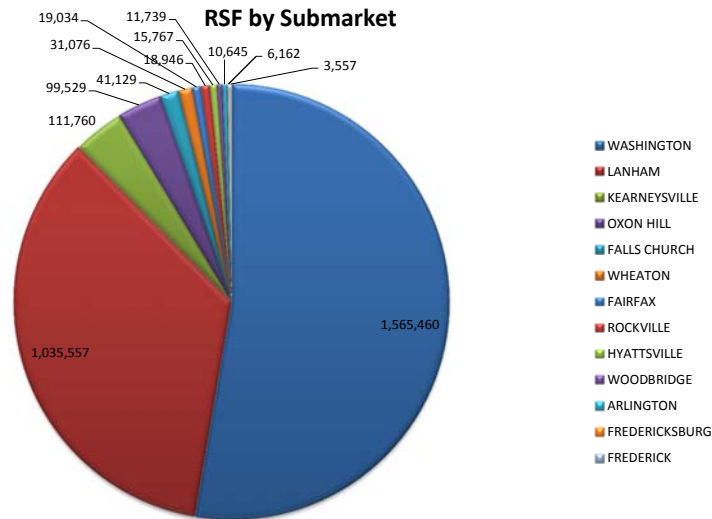
| Assigned RSF | |
|---------------------------|-------------------|
| Core under/non performing | 1,063,797 |
| Core performing | 10,087,561 |
| Transition | 1,708,922 |
| Disposal | 11,866 |
| Grand Total | 12,872,146 |

Top 5 Metro Areas (RSF)



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

| Sum of Assigned RSF | | | | |
|---|-----------|-----------|---------------|-------------|
| Metropolitan Area | | | | |
| | Leased | Owned | Agency Leased | Grand Total |
| #1 Washington-Arlington-Alexandria, DC-VA-MD-WV | 690,116 | 2,280,245 | | 2,970,361 |
| #2 New York-Newark-Jersey City, NY-NJ-PA | 686,098 | 853,613 | | 1,539,711 |
| #3 Cincinnati, OH-KY-IN | 721,958 | 634,907 | | 1,356,865 |
| #4 Kansas City, MO-KS | 1,251,115 | | | 1,251,115 |
| #5 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 970,767 | 212,031 | 45,075 | 1,227,873 |



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS
Owned/Leased (All)
Market Washington-Arlington-Alexandria, DC-VA-MD-WV <--Select Metro Area Here

| Submarket | RSF | Count of OA's | Annual Rent |
|--------------------|------------------|---------------|-------------------|
| WASHINGTON | 1,565,460 | 5 | 43,485,877 |
| LANHAM | 1,035,557 | 1 | 25,238,680 |
| KEARNEYSVILLE | 111,760 | 1 | 2,900,570 |
| OXON HILL | 99,529 | 1 | 3,553,349 |
| FALLS CHURCH | 41,129 | 1 | 1,546,032 |
| WHEATON | 31,076 | 1 | 896,304 |
| FAIRFAX | 19,034 | 1 | 542,754 |
| ROCKVILLE | 18,946 | 1 | - |
| HYATTSVILLE | 15,767 | 1 | 413,864 |
| WOODBRIDGE | 11,739 | 1 | - |
| ARLINGTON | 10,645 | 1 | 433,828 |
| FREDERICKSBURG | 6,162 | 1 | 147,170 |
| FREDERICK | 3,557 | 1 | 107,466 |
| Grand Total | 2,970,361 | 17 | 79,265,894 |

Internal Revenue Service

OA Expirations by FY



| | |
|--------------|----------------------------|
| Agency Name | DEPARTMENT OF THE TREASURY |
| Bureau Name | IRS |
| Market | (All) |
| City | (All) |
| Owned/Leased | (Multiple Items) |

| Fiscal Year of Expiration | RSF | Count of OA's |
|---------------------------|-------------------|---------------|
| 2014 | 7,580 | 1 |
| 2015 | 1,375,843 | 72 |
| 2016 | 3,262,834 | 102 |
| 2017 | 2,216,374 | 94 |
| 2018 | 3,809,767 | 90 |
| 2019 | 2,205,946 | 73 |
| 2020 | 1,906,057 | 39 |
| 2021 | 2,447,238 | 60 |
| 2022 | 2,740,166 | 54 |
| 2023 | 1,784,539 | 41 |
| 2024 | 2,068,308 | 45 |
| 2025 | 454,106 | 23 |
| 2026 | 190,942 | 7 |
| 2027 | 133,891 | 6 |
| 2028 | 31,401 | 2 |
| 2029 | 497,768 | 4 |
| 2030 | 940,816 | 5 |
| 2032 | 244,934 | 2 |
| Grand Total | 26,318,510 | 720 |

Internal Revenue Service
OA Expirations List

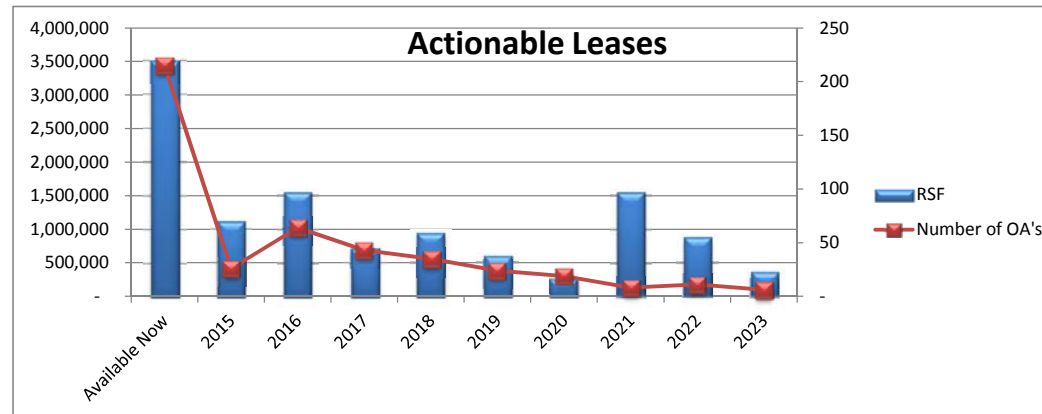
Agency Name (All)
OA Expiration FY (Multiple Items) <- Select Fiscal Year
Bureau Name (All) <- Select Bureau
Market (All) <- Select Metro Area

*Table shows a max of 50 OA's per FY

| OA Number | Building Name | City | RSF | Annual Rent |
|--------------------|--------------------------------|----------------|------------------|--------------------|
| ADC00033 | IRS BUILDING | WASHINGTON | 1,244,688 | 28,561,978 |
| AMD05573 | NEW CARROLLTON FED | LANHAM | 1,035,557 | 25,238,680 |
| AUT00212 | IRS SERVICE CENTER | OGDEN | 487,355 | 3,835,486 |
| AMI01381 | DETROIT COMPUTING CT | DETROIT | 483,864 | 22,213,589 |
| ATX00852 | IRS SW SERVICE CENTER | AUSTIN | 481,694 | 5,326,710 |
| AGA00297 | IRS ANNEX | CHAMBLEE | 366,925 | 9,453,102 |
| AGA00423 | PEACHTREE SUMMIT FB | ATLANTA | 355,004 | 6,856,786 |
| AGA03965 | IRS SVC CTR | CHAMBLEE | 335,467 | 900,877 |
| ACA00399 | RONALD DELLUMS FED BLDG | OAKLAND | 277,221 | 8,433,478 |
| ATX06979 | THE CENTRE PHASE 5 | FARMERS BRANCH | 264,172 | 5,270,717 |
| AWA00885 | JACKSON FB | SEATTLE | 240,051 | 5,081,460 |
| ATX03170 | SOUTH PARK BLDG. G | AUSTIN | 206,418 | 4,776,173 |
| ACA00230 | FEDERAL BUILDING | LOS ANGELES | 191,402 | 4,675,036 |
| ACA02190 | COMPLIANCE OFFICE | FRESNO | 180,481 | 7,076,390 |
| APA01508 | WILLIAM S. MOORHEAD FED. BLDG. | PITTSBURGH | 175,205 | 3,601,832 |
| ATX06653 | E CABELL FOB/USPO/CTHS | DALLAS | 171,921 | 2,846,459 |
| ACA00515 | CHET HOLIFIELD FED BLDG | LAGUNA NIGUEL | 170,966 | 5,153,787 |
| AMD00393 | G H FALLON FED BLDG | Baltimore | 166,237 | 3,858,604 |
| ACO04418 | 1999 BROADWAY BLDG | DENVER | 137,811 | 5,870,711 |
| ATX02241 | GT LELAND FEDERAL BLDG | HOUSTON | 135,864 | 3,854,068 |
| AFL04634 | 7850 SW 6TH COURT BUILDING | PLANTATION | 132,990 | 4,919,450 |
| AMO00042 | ROBT A YOUNG FED BLD | SAINT LOUIS | 132,858 | 1,616,509 |
| ATX00112 | SANTA FE FEDERAL BLDG | DALLAS | 127,868 | 1,809,401 |
| AMA00066 | JFK FEDERAL BUILDING | BOSTON | 126,026 | 4,368,560 |
| ACA02170 | 855 "M" STREET | FRESNO | 122,000 | 4,987,887 |
| AWV00039 | 295 MURALL DRIVE | KEARNEYSVILLE | 111,760 | 2,900,570 |
| AOH00735 | A J CELEBREZZE FB | CLEVELAND | 111,659 | 1,856,822 |
| AOK00086 | ROBINSON PLAZA | OKLAHOMA CITY | 105,322 | 1,431,064 |
| ACA02193 | 1950 G STREET | FRESNO | 104,895 | 1,716,580 |
| ATX00314 | JJ PICKLE FEDERAL BLDG | AUSTIN | 102,919 | 2,369,858 |
| AOH00135 | JOHN WELD PECK | CINCINNATI | 102,803 | 1,569,183 |
| APR02879 | SAN PATRICIO OFF CTR | GUAYNABO | 102,701 | 4,681,766 |
| AUT02816 | ARKA MONTEREY PARK BUILDING | OGDEN | 100,000 | 1,977,998 |
| AMD04734 | ONE CONSTELLATION CENTRE | OXON HILL | 99,529 | 3,553,349 |
| AFL00312 | MODIS BUILDING | JACKSONVILLE | 97,724 | 2,318,496 |
| AUT03031 | ANNEX III | OGDEN | 89,625 | 353,067 |
| ACT01848 | WILLIAM R. COTTER FB | HARTFORD | 84,335 | 1,155,533 |
| ANV01744 | 110 NORTH CITY PARKWAY | LAS VEGAS | 83,065 | 2,245,827 |
| AKY01503 | IRS ANNEX BUILDING | FLORENCE | 81,603 | 1,375,526 |
| AIN00035 | MINTON-CAPEHART F/B | INDIANAPOLIS | 78,433 | 1,252,838 |
| AWV00121 | ROBERT C. BYRD FB & CHSE | BECKLEY | 73,684 | 1,752,930 |
| 10 | Bank of America Building | Baltimore | 66,951 | |
| | JOHN WELD PECK | CINCINNATI | 65,772 | 989,106 |
| | FIRST & MAIN | PORTLAND | 63,648 | 2,414,943 |
| | SOCIAL HALL PLAZA | SALT LAKE CITY | 62,063 | 1,484,736 |
| | NIAGARA CENTER | BUFFALO | 60,680 | 1,762,559 |
| | 801 W. CIVIC CENTER DRIVE | SANTA ANA | 59,802 | 1,515,992 |
| | PHILLIP BURTON,FB CT | SAN FRANCISCO | 58,631 | 2,876,474 |
| | WELLS FARGO PLACE | SAINT PAUL | 56,144 | 1,790,600 |
| | 3 N/A | El Monte | 55,755 | |
| | | | | |
| Grand Total | | | 9,829,551 | 225,933,548 |

Internal Revenue Service

Actionable Lease Trend

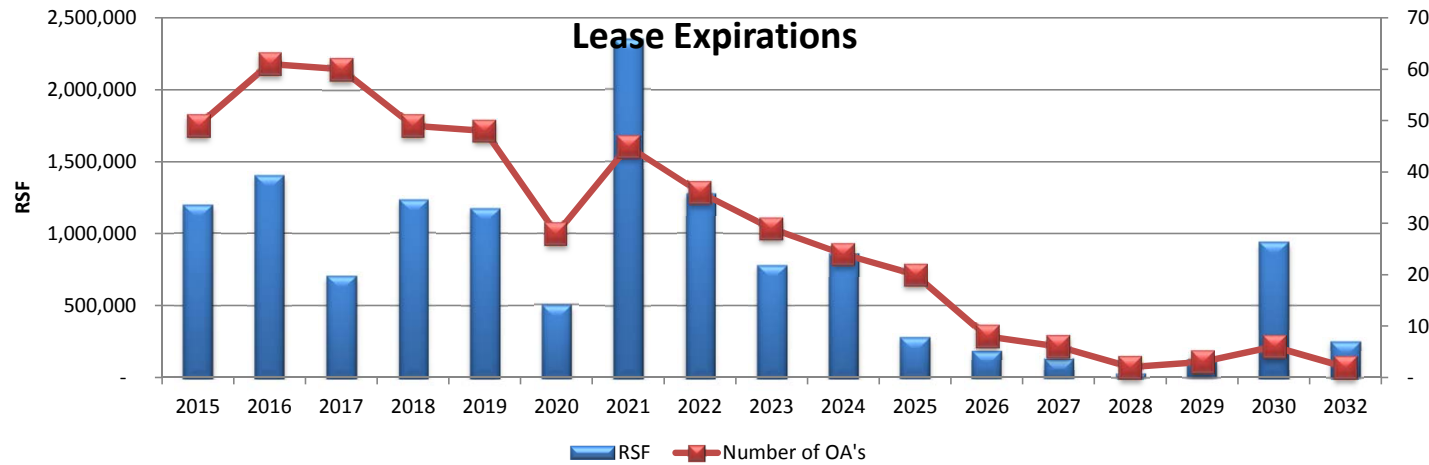


| | |
|--------------|----------------------------|
| Agency Name | DEPARTMENT OF THE TREASURY |
| Bureau Name | IRS |
| Market | (All) |
| City | (All) |
| Owned/Leased | (Multiple Items) |

| Fiscal Year of Expiration | RSF | Number of OA's |
|---------------------------|-------------------|----------------|
| Available Now | 3,513,871 | 215 |
| 2015 | 1,112,266 | 26 |
| 2016 | 1,551,213 | 64 |
| 2017 | 719,121 | 43 |
| 2018 | 936,643 | 35 |
| 2019 | 594,410 | 24 |
| 2020 | 268,189 | 19 |
| 2021 | 1,548,664 | 8 |
| 2022 | 875,617 | 11 |
| 2023 | 360,472 | 6 |
| Grand Total | 11,480,465 | 451 |

Internal Revenue Service

Lease Expirations Trend

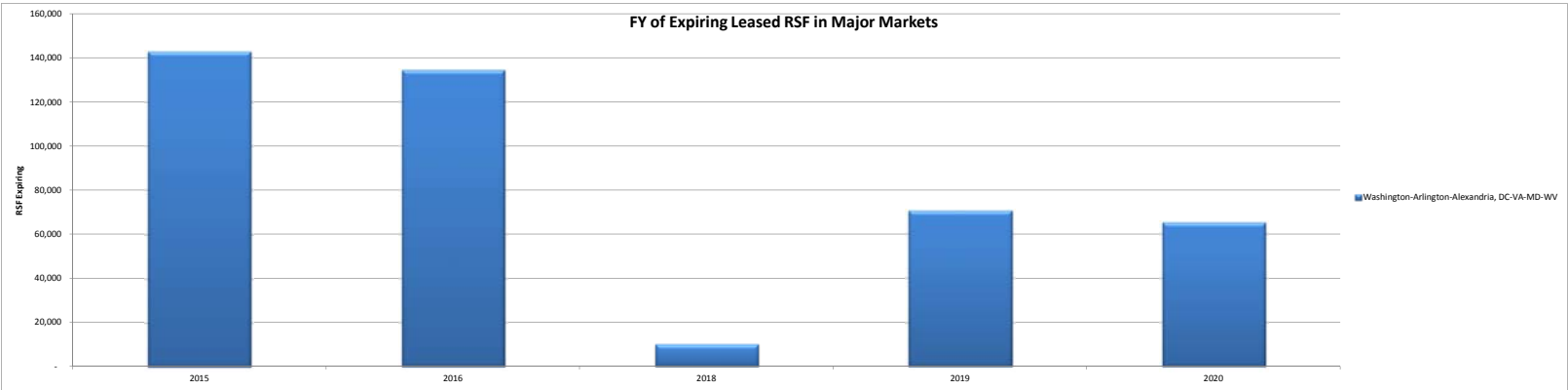


| | |
|-------------|----------------------------|
| Agency Name | DEPARTMENT OF THE TREASURY |
| Bureau Name | IRS |
| Market | (All) |
| City | (All) |

| Fiscal Year of Expiration | RSF | Number of OA's |
|---------------------------|-------------------|----------------|
| 2015 | 1,198,235 | 49 |
| 2016 | 1,404,325 | 61 |
| 2017 | 707,594 | 60 |
| 2018 | 1,231,434 | 49 |
| 2019 | 1,175,550 | 48 |
| 2020 | 499,300 | 28 |
| 2021 | 2,351,219 | 45 |
| 2022 | 1,282,792 | 36 |
| 2023 | 781,392 | 29 |
| 2024 | 863,306 | 24 |
| 2025 | 276,649 | 20 |
| 2026 | 190,942 | 8 |
| 2027 | 133,891 | 6 |
| 2028 | 31,401 | 2 |
| 2029 | 125,005 | 3 |
| 2030 | 940,816 | 6 |
| 2032 | 244,934 | 2 |
| Grand Total | 13,438,784 | 476 |

Internal Revenue Service
Lease Expirations by FY

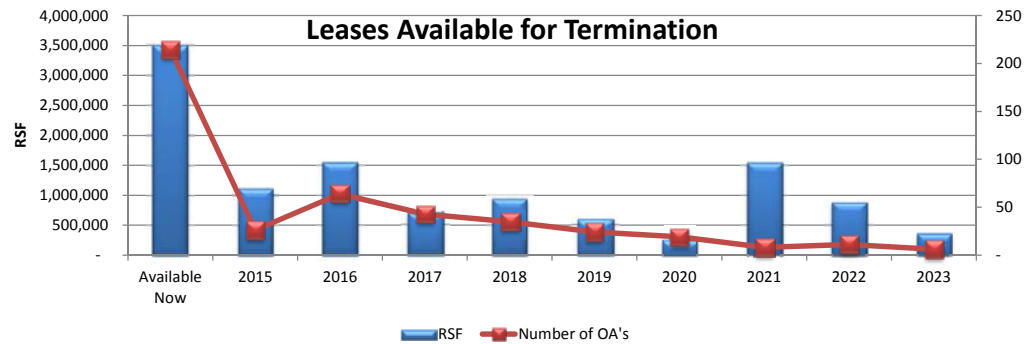
| Agency Name | DEPARTMENT OF THE TREASURY | | | | | | | | | |
|--|--|--------------------|---------------------|---------|---------|--------|---------|---------|---------|-------------|
| Bureau Name | IRS | | | | | | | | | |
| Market | (All) | | | | | | | | | |
| Note: Page displays a maximum of 100 Expirations | | | | | | | | | | |
| RSF | Building Name | City | Lease Expiration FY | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Grand Total |
| | DETROIT COMPUTING CT | DETROIT | | 483,864 | | | | | | 483,864 |
| | SOUTH PARK BLDG. G | AUSTIN | | | | | 206,418 | | 206,418 | |
| | COMPLIANCE OFFICE | FRESNO | | | | | | 180,481 | | 180,481 |
| | 1999 BROADWAY BLDG | DENVER | | | | | 150,272 | | | 150,272 |
| | 7850 SW 6TH COURT BUILDING | PLANTATION | | | | | | 132,990 | | 132,990 |
| | 855 "M" STREET | FRESNO | | | | | 1,315 | 122,000 | | 123,315 |
| | 295 MURALL DRIVE | KEARNEYSVILLE | | 111,760 | | | | | | 111,760 |
| | MODIS BUILDING | JACKSONVILLE | | | 109,011 | | | | | 109,011 |
| | ROBINSON PLAZA | OKLAHOMA CITY | | | 105,322 | | | | | 105,322 |
| | 1950 G STREET | FRESNO | | | | | 104,895 | | | 104,895 |
| | SAN PATRICIO OFF CTR | GUAYNABO | | | 102,701 | | | | | 102,701 |
| | ARKA MONTEREY PARK BUILDING | OGDEN | | | | | | 100,000 | | 100,000 |
| | ONE CONSTELLATION CENTRE | OXON HILL | | | 99,529 | | | | | 99,529 |
| | ANNEX III | OGDEN | | | 89,625 | | | | | 89,625 |
| | 110 NORTH CITY PARKWAY | LAS VEGAS | | | 85,294 | | | | | 85,294 |
| | IRS ANNEX BUILDING | FLORENCE | | | | | 81,603 | | | 81,603 |
| | Bank of America Building | Baltimore | | | | | 66,951 | | | 66,951 |
| | FIRST & MAIN | PORTLAND | | | | | | | | 63,648 |
| | SOCIAL HALL PLAZA | SALT LAKE CITY | | | 62,643 | | | | | 62,643 |
| | NIAGARA CENTER | BUFFALO | | | 60,680 | | | | | 60,680 |
| | 801 W. CIVIC CENTER DRIVE | SANTA ANA | | | 59,802 | | | | | 59,802 |
| | FIVE RESOURCE SQUARE | CHARLOTTE | | | | 58,744 | | | | 58,744 |
| | BANK OF AMERICA | CHICAGO | | | | | 34,494 | | | 34,494 |
| | WELLS FARGO PLACE | SAINT PAUL | | | | | 55,144 | | 22,943 | 78,087 |
| | N/A | El Monte | | | | | 55,755 | | | 55,755 |
| | Vanir Tower Building | San Bernardino | | | | 54,991 | | | | 54,991 |
| | 850 TRAFALGAR BLDG. | MATTLAND | | | | | | 51,693 | | 51,693 |
| | 5100 RIVER ROAD | SCHILLER PARK | | | | | | 50,830 | | 50,830 |
| | COASTAL CORPORATE CENTER - VIN | INDIANAPOLIS | | | | | | | | 50,160 |
| | 312 ELM STREET | CINCINNATI | | | 49,006 | | | | | 49,006 |
| | 801 TOM MARTIN BUILDING | BIRMINGHAM | | | 48,384 | | | | | 48,384 |
| | PETROLEUM TOWERS | SAN ANTONIO | | | | | | 46,762 | | 46,762 |
| | Springfield Park Place Center Bldg "A" | Springfield | | | | | 46,469 | | | 46,469 |
| | One Newark Center | Newark | | | | | 45,075 | | | 45,075 |
| | 225 W BROADWAY | GLENDALE | | | 44,661 | | | | | 44,661 |
| | ONE MONTVALE AVENUE | STONEHAM | | | | | | 44,210 | | 44,210 |
| | CROSSPOINT TOWER THREE | LOWELL | | | | 44,125 | | | | 44,125 |
| | 33 MAIDEN LANE | NEW YORK-MANHATTAN | | 43,936 | | | | | | 43,936 |
| | 1 LEFRACK PLAZA | NEW YORK-QUEENS | | 43,470 | | | | | | 43,470 |
| | ONE SKYLINE PLACE | FALLS CHURCH | | | | | | 41,129 | | 41,129 |
| | MELLON INDEPEND CTR. | PHILADELPHIA | | 39,992 | | | | | | 39,992 |
| | SOUTHPARK BLDG J | AUSTIN | | 38,898 | | | | | | 38,898 |
| | ALI PLACE | HONOLULU | | | | | | | | 36,223 |
| | FORDAM BUILDING | ATLANTA | | | 35,343 | | | | | 35,343 |
| | WESTOWN CITY CENTER | WEST DES MOINES | | | | | | | | 34,524 |
| | #1 CORPORATE DRIVE | HOLTSVILLE | | 34,470 | | | | | | 34,470 |
| | Wachovia Center | West Palm Beach | | | | 32,272 | | | | 32,272 |
| | OGDEN CITY CENTRE | OGDEN | | | | | | 32,210 | | 32,210 |
| | 5338 MONTGOMERY BLVD | ALBUQUERQUE | | | | | | 32,042 | | 32,042 |
| | 11510 GEORGIA AVENUE | WHEATON | | 31,076 | | | | | | 31,076 |
| | AT & T BLDG | LOS ANGELES | | | | | | 30,884 | | 30,884 |
| | DIAMOND HEAD BLD | MOUNTAINSIDE | | | 30,733 | | | | | 30,733 |
| | Duvall Building | Saint Petersburg | | | | 30,426 | | | | 30,426 |
| | PARKWAY POINTE | Springfield | | | | 29,900 | | | | 29,900 |
| | 222 NO. SEPULVEDA BL | EL SEGUNDO | | | | 29,783 | | | | 29,783 |
| | 3251 EVERGREEN DRIVE NE | GRAND RAPIDS | | | | | | 29,780 | | 29,780 |
| | SOUTHPARK BLDG K | AUSTIN | | 29,763 | | | | | | 29,763 |
| | STRATUM CENTER | FORT WORTH | | | | 29,655 | | | | 29,655 |
| | Wick Plaza 1 Building | Edison | | | | 29,196 | | | | 29,196 |
| | CITY VIEW PLAZA II | GUAYNABO | | | | | | 28,184 | | 28,184 |
| | CROSSPOINT TOWER ONE | LOWELL | | 28,106 | | | | | | 28,106 |
| | FAIRFAX CENTER I | FORT MYERS | | | | | | | | 27,701 |
| | WEBER CENTER | OGDEN | | | 27,237 | | | | | 27,237 |
| | 455 MASS AVE | WASHINGTON | | | | | | | | 27,175 |
| | 1645 SOUTH, 101ST EAST AVENUE | TULSA | | | | | 27,141 | | | 27,141 |
| | U.S. BANK FINANCIAL CENTER | BLOOMINGTON | | | | | 26,910 | | | 26,910 |
| | VECO ALASKA BUILDING | ANCHORAGE | | | | 26,444 | | | | 26,444 |
| | 200-228 EAST POST ROAD | WHITE PLAINS | | 26,375 | | | | | | 26,375 |
| | 1200 1 ST STREET, NE | WASHINGTON | | | | | | | | 26,327 |
| | SUNSET SQUARE | SAN ANTONIO | | 23,988 | | | | | | 23,988 |
| | Henderson Building | King of Prussia | | | | 23,507 | | | | 23,507 |
| | GALTIER PLAZA | SAINT PAUL | | | | | 23,414 | | | 23,414 |
| | FALLS BUILDING | MEMPHIS | | 23,301 | | | | | | 23,301 |
| | SAN MARCOS CITY HALL | SAN MARCOS | | | | | 23,164 | | | 23,164 |
| | BROOKDALE CORPORATE PARK I | BROOKLYN CENTER | | 23,058 | | | | | | 23,058 |
| | 1352 MARROWS ROAD | Newark | | | | 22,962 | | | | 22,962 |
| | GUARANTEE SAVINGS BUILDING | FRESNO | | | | | | 22,703 | | 22,703 |
| | Camarrillo Business Center | Camarrillo | | | | | 22,652 | | | 22,652 |
| | 1200 WATERS PL | NEW YORK-BRONX | | | 22,270 | | | | | 22,270 |
| | 1899 POWERS FERRY ROAD | ATLANTA | | | | | | | | 22,059 |
| | EDWIN MILLER PROFESSIONAL CTR | MARTINSBURG | | | | | | 21,874 | | 21,874 |
| | WELLS FARGO | HOUSTON | | | | | 21,708 | | | 21,708 |
| | 1600 STEWART AVE. | WESTBURY | | | | 21,481 | | | | 21,481 |
| | AIRPORT EXECUTIVE C | TAMPA | | | | | 21,376 | | | 21,376 |
| | 185 LENNON LANE | WALNUT CREEK | | | | 21,169 | | | | 21,169 |
| | 155 E. 31ST | OGDEN | | 20,998 | | | | | | 20,998 |
| | 6717 SHAWNEE MISSION PARKWAY | MISSION | | | | | | 20,920 | | 20,920 |
| | 200 LAKESIDE DRIVE | HORSHAM | | | | | | | | 20,396 |
| | CITIPLACE CENTRE | BATON ROUGE | | | | | 20,379 | | | 20,379 |
| | 6340 VARIEL AVENUE | LOS ANGELES | | | | 19,244 | | | | 19,244 |
| | 5066 OFFICE PLAZA | FAIRFAX | | | | | | | | 19,034 |
| | ONE CLEVELAND CTR | CLEVELAND | | 19,034 | | | | | | 18,996 |
| | 6010 EXECUTIVE BOULEVARD | ROCKVILLE | | | | | | | | 18,946 |
| | IMPERIAL BANK BLDG | SAN DIEGO | | 18,645 | | | | | | 18,645 |
| | 380 WESTMINSTER MALL | PROVIDENCE | | 18,538 | | | | | | 18,538 |
| | GREENS AT INVERNESS | ENGLEWOOD | | | 18,435 | | | | | 18,435 |
| | MBL/IBM | KANSAS CITY | | | | | | | | 17,900 |
| | WELLS FARGO BUILDING | RENO | | | | | | | | 17,531 |
| | 1719 RTE 10 PARSIPPA | PARSIPPANY | | | | 17,509 | | | | 17,509 |
| | HAMPTON TECHNOLOGY CENTER | HAMPTON | | | | 17,404 | | | | 17,404 |



Agency Name (All)
Bureau Name (All)

Note: Page displays a maximum of 100 Expirations

| RSF | Lease Expiration FY | Market | Grand Total |
|-------------|---------------------|--|-------------|
| | | Washington-Arlington-Alexandria, DC-VA-MD-WV | |
| | 2015 | 142,836 | 142,836 |
| | 2016 | 134,330 | 134,330 |
| | 2018 | 9,719 | 9,719 |
| | 2019 | 70,720 | 70,720 |
| | 2020 | 65,241 | 65,241 |
| Grand Total | | 422,846 | 422,846 |



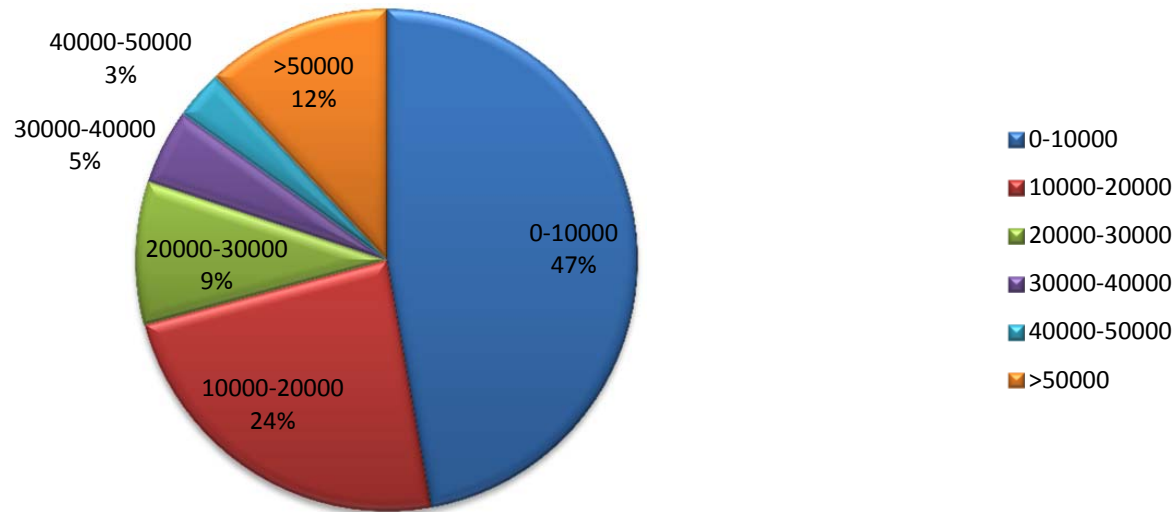
| | |
|-----------------------------|----------------------------|
| Agency Name | DEPARTMENT OF THE TREASURY |
| Bureau Name | IRS |
| Market | (All) |
| Termination Right Indicator | (All) |

| FY of Termination Rights | RSF | Number of OA's |
|--------------------------|-------------------|----------------|
| Available Now | 3,513,871 | 215 |
| 2015 | 1,112,266 | 26 |
| 2016 | 1,551,213 | 64 |
| 2017 | 719,121 | 43 |
| 2018 | 936,643 | 35 |
| 2019 | 594,410 | 24 |
| 2020 | 268,189 | 19 |
| 2021 | 1,548,664 | 8 |
| 2022 | 875,617 | 11 |
| 2023 | 360,472 | 6 |
| Grand Total | 11,480,465 | 451 |

Internal Revenue Service

Size of Expiring Leases

Size of Expiring Leases

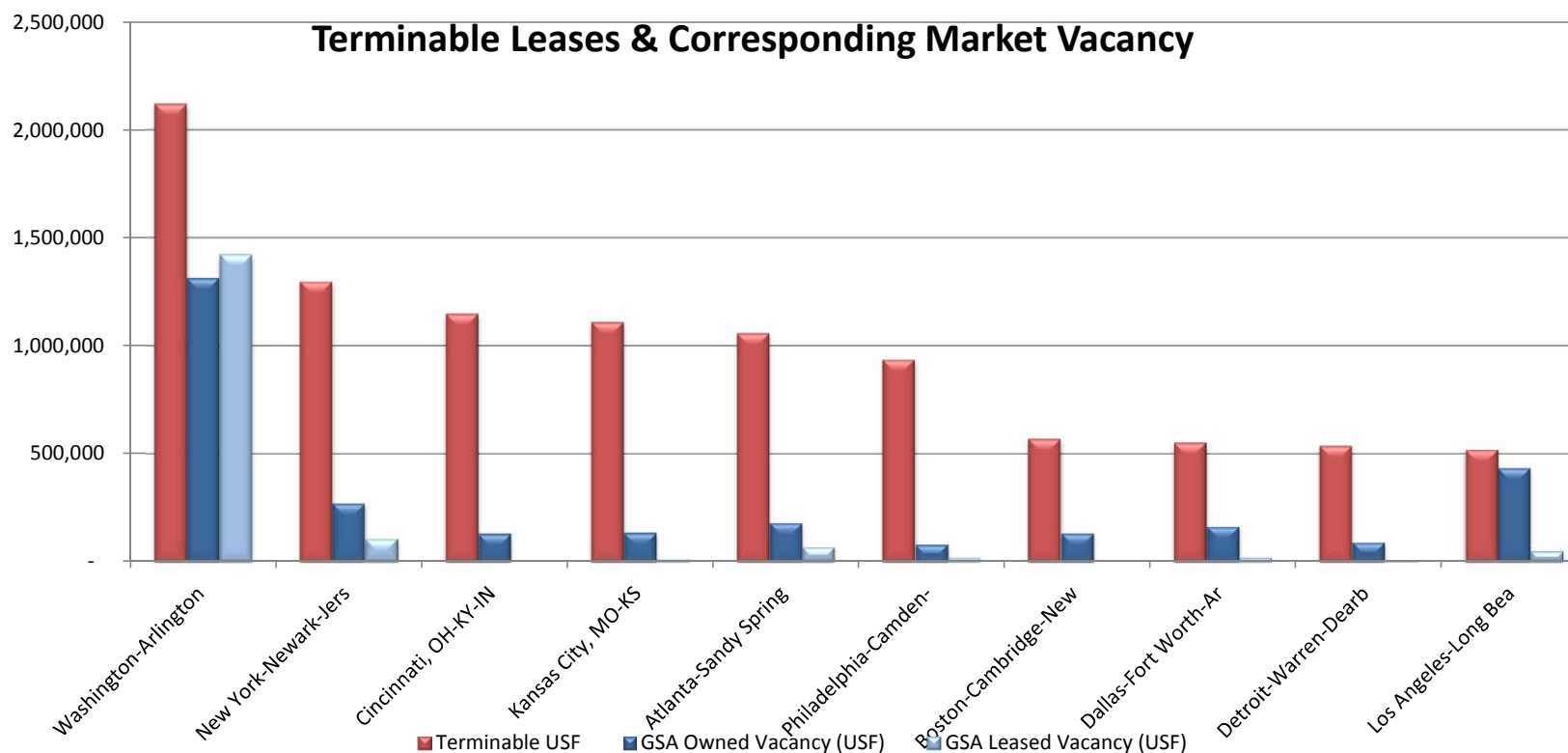


Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS
Market (All)
City (All)
Owned/Leased (Multiple Items)
Lease Termination FY (All)

| RSF | Count of OA Number | Sum of Assigned RSF |
|--------------------|--------------------|---------------------|
| 0-10000 | 225 | 1,003,083 |
| 10000-20000 | 113 | 1,565,493 |
| 20000-30000 | 44 | 1,085,297 |
| 30000-40000 | 23 | 787,327 |
| 40000-50000 | 15 | 677,226 |
| >50000 | 57 | 8,327,939 |
| Grand Total | 477 | 13,446,364 |

Internal Revenue Service

Terminable vs. Vacancy by MSA

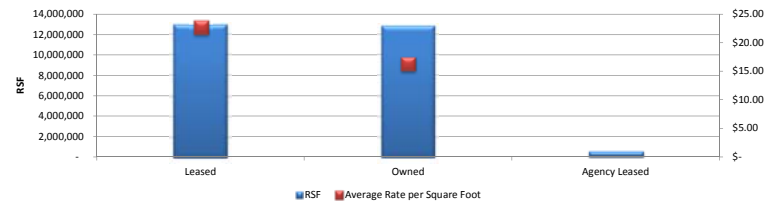


| Top 10 Markets | Terminable USF | GSA Owned Vacancy (USF) | GSA Leased Vacancy (USF) |
|----------------------|----------------|-------------------------|--------------------------|
| Washington-Arlington | 2,120,283 | 1,314,083 | 1,423,905 |
| New York-Newark-Jers | 1,297,439 | 272,269 | 106,202 |
| Cincinnati, OH-KY-IN | 1,148,388 | 131,440 | - |
| Kansas City, MO-KS | 1,109,554 | 135,328 | 14,087 |
| Atlanta-Sandy Spring | 1,059,216 | 181,530 | 67,788 |
| Philadelphia-Camden- | 936,346 | 81,327 | 20,236 |
| Boston-Cambridge-New | 569,626 | 132,621 | 1,093 |
| Dallas-Fort Worth-Ar | 552,892 | 164,353 | 18,892 |
| Detroit-Warren-Dearb | 537,538 | 91,558 | 4,842 |
| Los Angeles-Long Bea | 519,431 | 434,938 | 49,337 |

Agency Occupied Buildings with Large Amounts of Vacant Space

| Location Code | Building Name | Market | Owned vs. Leased (O/L) | Building Size (RSF) | Building Vacancy (USF) | Agency Space within building | Market Presence | |
|---------------|------------------------------|--------------------------------------|------------------------|---------------------|------------------------|------------------------------|-----------------------------------|------------------------------------|
| | | | | | | | # of Agency Leases in that Market | Agency's Leased RSF in that Market |
| IL0236 | JOHN C. KLUCZYNSKI FED. BLDG | Chicago-Naperville-Elgin, IL-IN-WI | Owned | 13,627,610 | 1,104,379 | 264,997 | - | 531,421 |
| OH0189 | JOHN WELD PECK | Cincinnati, OH-KY-IN | Owned | 4,841,749 | 881,760 | 224,664 | - | 1,356,865 |
| CA0521 | CHET HOLIFIELD FED BLDG | Los Angeles-Long Beach-Anaheim, CA | Owned | 4,014,294 | 577,346 | 204,699 | - | 650,382 |
| CA0150 | FEDERAL BUILDING | Los Angeles-Long Beach-Anaheim, CA | Owned | 4,228,519 | 490,604 | 195,833 | - | 650,382 |
| GA0087 | PEACHTREE SUMMIT FB | Atlanta-Sandy Springs-Roswell, GA | Owned | 2,411,310 | 408,357 | 355,084 | - | 1,224,114 |
| MO0106 | ROBT A YOUNG FED BLD | St. Louis, MO-IL | Owned | 8,053,119 | 323,993 | 234,071 | - | 292,905 |
| HI0011 | PRINCE J. KUHIO FOB & CTHS | Urban Honolulu, HI | Owned | 2,090,630 | 286,222 | 13,445 | - | 49,668 |
| FL0061 | CLAUDE PEPPER FB | Miami-Fort Lauderdale-West Palm Beac | Owned | 1,037,710 | 286,062 | 90,657 | - | 243,596 |
| CA0154 | PHILLIP BURTON,FB CT | San Francisco-Oakland-Hayward, CA | Owned | 1,244,600 | 180,109 | 58,631 | - | 463,138 |
| NY0128 | FEDERAL BLDG--201 VARICK ST | New York-Newark-Jersey City, NY-NJ-P | Owned | 935,560 | 155,151 | 4,058 | - | 1,539,711 |
| WA0953 | FED CTR SO OFFICE | Seattle-Tacoma-Bellevue, WA | Owned | 413,215 | 150,817 | 858 | - | 312,997 |
| NY0282 | JACOB K. JAVITS FB/CIT | New York-Newark-Jersey City, NY-NJ-P | Owned | 6,879,612 | 144,099 | 24,144 | - | 1,539,711 |
| OH0192 | A J CELEBREZZE FB | Cleveland-Elyria, OH | Owned | 4,778,701 | 140,078 | 118,582 | - | 172,693 |
| WA0101 | JACKSON FB | Seattle-Tacoma-Bellevue, WA | Owned | 3,563,401 | 128,090 | 274,902 | - | 312,997 |
| IN0133 | MINTON-CAPEHART F/B | Indianapolis-Carmel-Anderson, IN | Owned | 1,598,030 | 108,918 | 96,273 | - | 159,406 |
| CA0167 | EDWARD J. SCHWARTZ FOB & C | San Diego-Carlsbad, CA | Owned | 625,726 | 107,505 | 8,204 | - | 116,071 |
| NY0300 | LEO W OBRIEN FB | Albany-Schenectady-Troy, NY | Owned | 1,021,935 | 98,490 | 37,494 | - | 37,494 |
| TX0284 | E CABELL FOB/USPO/CTHS | Dallas-Fort Worth-Arlington, TX | Owned | 2,695,213 | 81,864 | 208,620 | - | 688,678 |
| TX0224 | FG LANHAM FED BLDG | Dallas-Fort Worth-Arlington, TX | Owned | 1,338,674 | 79,706 | 18,855 | - | 688,678 |
| PA0158 | UNITED STATES COURTHOUSE | Pittsburgh, PA | Owned | 627,551 | 71,885 | - | - | 203,371 |

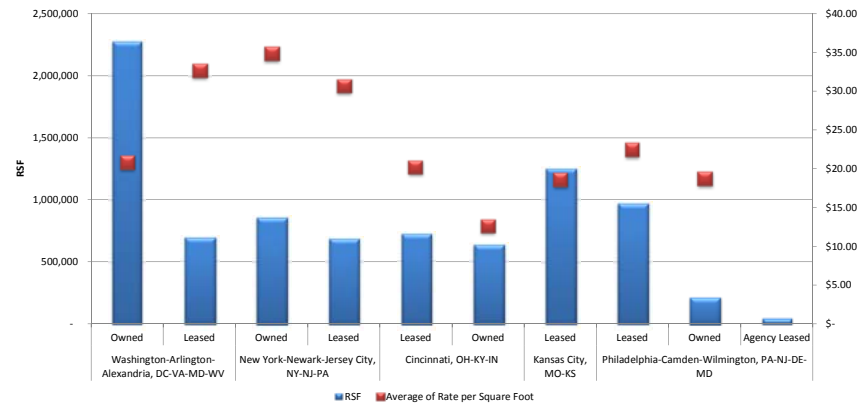
Nationwide Rates per Square Foot



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

| | RSF | Average Rate per Square Foot |
|--------------------|-------------------|------------------------------|
| Leased | 12,979,438 | \$ 22.74 |
| Owned | 12,872,146 | \$ 16.29 |
| Agency Leased | 466,926 | |
| Grand Total | 26,318,510 | \$ 20.56 |

Rates per Square Foot by Major Metro Area



Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS

| Metro Area | RSF | Average of Rate per Square Foot |
|---|------------------|---------------------------------|
| Washington-Arlington-Alexandria, DC-VA-MD-WV | 2,970,361 | \$ 31.29 |
| Owned | 2,280,245 | \$ 20.82 |
| Leased | 690,116 | \$ 32.68 |
| New York-Newark-Jersey City, NY-NJ-PA | 1,539,711 | \$ 32.07 |
| Owned | 853,613 | \$ 34.83 |
| Leased | 686,098 | \$ 30.69 |
| Cincinnati, OH-KY-IN | 1,356,865 | \$ 15.88 |
| Owned | 721,958 | \$ 20.22 |
| Leased | 634,907 | \$ 12.62 |
| Kansas City, MO-KS | 1,251,115 | \$ 18.56 |
| Owned | 1,251,115 | \$ 18.56 |
| Leased | 1,227,873 | \$ 21.35 |
| Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 1,227,873 | \$ 21.35 |
| Owned | 970,767 | \$ 22.50 |
| Leased | 212,031 | \$ 18.67 |
| Agency Leased | 45,075 | |
| Grand Total | 8,345,925 | \$ 26.52 |

Internal Revenue Service

Rent Gap Analysis

Agency Name DEPARTMENT OF THE TREASURY
Bureau Name IRS
Owned/Leased (Multiple Items)
FRPC Property Type (Multiple Items)
Submarket Rate per SF (Multiple Items)
*Excludes OA's < 10% above market

Note: Submarket rates are approximations based on a building's location. Rates do not account for the condition of an asset, building class (A, B, or C), or unique circumstances.

| OA Number | Lease ID | Earliest Termination FY (Beg | Building Name | GSA Rate | Approx. Submarket Rate | Rent Gap % | Potential Annual Rent Savings |
|-------------|----------|------------------------------|--------------------------------|------------|------------------------------|------------|----------------------------------|
| AMO00166 | LMO40004 | 2021 | IRS KC CONSOLIDATED CAMPUS | \$31.94 | \$14.43 | 54.82% | \$ 19,896,806 |
| AMI01381 | LMI15227 | 2015 | DETROIT COMPUTING CT | \$36.91 | \$15.25 | 58.68% | \$ 10,479,236 |
| AFL04634 | LFL59135 | 2019 | 7850 SW 6TH COURT BUILDING | \$34.71 | \$21.34 | 38.52% | \$ 1,777,997 |
| ACA08906 | LCA02353 | 2021 | NORTH POINTE CORPORATE CENTER | \$31.16 | \$17.82 | 42.80% | \$ 1,153,067 |
| ATN02709 | LTN50030 | 2022 | 127 INTERNATIONAL DRIVE | \$30.06 | \$23.92 | 20.42% | \$ 830,919 |
| AHI02692 | LHI02378 | 2015 | ALII PLACE | \$39.92 | \$20.08 | 49.70% | \$ 718,657 |
| ANY08576 | LN23867 | 2017 | 1180 VETS MEM HWY | \$34.05 | \$18.88 | 44.55% | \$ 640,331 |
| AOR04072 | LOR07130 | 2017 | FIRST & MAIN | \$35.03 | \$26.33 | 24.83% | \$ 553,445 |
| ATX07797 | LTX16993 | 2022 | CEDAR BEND PROFESSIONAL CENTER | \$32.16 | \$21.56 | 32.97% | \$ 496,113 |
| ATX07186 | LTX16535 | Available Now | 5015 S IH-35 | \$26.90 | \$21.56 | 19.84% | \$ 492,792 |
| AMI04872 | LMI18404 | 2016 | ONE DETROIT CENTER | \$21.16 | \$15.25 | 27.93% | \$ 481,037 |
| ANY08008 | LN23746 | 2017 | STERLING CORPORATE CENTER | \$29.87 | \$21.72 | 27.28% | \$ 469,318 |
| ACA08015 | LCA01853 | Available Now | 225 W BROADWAY | \$34.12 | \$24.22 | 29.01% | \$ 442,104 |
| AMA03027 | LMA04521 | Available Now | ONE MONTVALE AVENUE | \$27.64 | \$18.67 | 32.44% | \$ 396,347 |
| AAZ03290 | LAZ01956 | 2019 | IRS GLENDALE | \$36.96 | \$19.92 | 46.11% | \$ 323,156 |
| ANY07212 | LN23459 | Available Now | 1600 STEWART AVE. | \$34.33 | \$21.72 | 36.73% | \$ 270,817 |
| AFL05195 | LFL62454 | Available Now | ROYAL PALM AT SOUTHPOINTE | \$33.70 | \$21.34 | 36.68% | \$ 246,624 |
| ANJ03296 | LNJ23894 | 2018 | 4 PARAGON WAY | \$23.55 | \$15.37 | 34.74% | \$ 161,178 |
| ANY08167 | LN23738 | 2016 | GREENWAY PLAZA OFFICE PARK | \$44.84 | \$18.88 | 57.89% | \$ 152,384 |
| ACA09952 | LCA02868 | 2016 | 950 HAMPSHIRE ROAD | \$33.27 | \$18.41 | 44.66% | \$ 139,093 |
| ADE00281 | LDE06338 | 2015 | 1352 MARROWS ROAD | \$23.56 | \$17.59 | 25.34% | \$ 137,118 |
| AIL05532 | LIL17845 | Available Now | BANK OF AMERICA | \$31.65 | \$27.70 | 12.49% | \$ 136,313 |
| ANH00409 | LNH04284 | Available Now | HAMPSHIRE PLAZA | \$26.00 | \$15.28 | 41.23% | \$ 132,756 |
| AIL05540 | LIL17795 | 2018 | CONGRESS CENTER | \$32.33 | \$27.70 | 14.31% | \$ 129,915 |
| ACA08161 | LCA01871 | Available Now | 6340 VARIEL AVENUE | \$28.99 | \$22.59 | 22.07% | \$ 123,112 |
| ANJ00269 | LNJ23276 | Available Now | 1719 RTE 10 PARSIPPA | \$25.34 | \$18.37 | 27.50% | \$ 121,997 |
| AMA03251 | LMA04809 | 2018 | 120 FRONT STREET | \$26.09 | \$19.82 | 24.03% | \$ 90,988 |
| ANH01240 | LNH04815 | 2017 | BIRCH POND OFFICE PARK | \$25.40 | \$15.28 | 39.84% | \$ 85,044 |
| APA04170 | LPA09336 | Available Now | 200 LAKESIDE DRIVE | \$26.29 | \$22.17 | 15.67% | \$ 83,997 |
| AMO05455 | LMO01017 | 2015 | MBL/IBM | \$19.03 | \$14.43 | 24.17% | \$ 82,329 |
| ACT02104 | LCT04939 | 2019 | COMMERCE CENTER | \$22.26 | \$17.96 | 19.30% | \$ 74,450 |
| AFL03927 | LFL47107 | Available Now | AIRPORT EXECUTIVE C | \$26.64 | \$21.84 | 18.01% | \$ 37,670 |
| ACA10407 | LCA02865 | 2017 | CENTRE POINT PLAZA | \$27.32 | \$24.22 | 11.34% | \$ 29,691 |
| ACA09509 | LCA02480 | 2018 | 185 LENNON LANE | \$27.87 | \$24.59 | 11.77% | \$ 26,295 |
| APA04622 | LPA12082 | 2016 | PENN OFFICE BUILDING | \$21.34 | \$18.11 | 15.13% | \$ 26,018 |
| AMO05298 | LMO01039 | 2020 | UNION STATION | \$18.65 | \$14.43 | 22.64% | \$ 18,669 |
| AMI04408 | LMI17757 | Available Now | COMERICA BUILDING | \$21.44 | \$15.25 | 28.88% | \$ 13,418 |
| Grand Total | | | | \$1,082.44 | \$734.00 | 1134.32% | \$ 41,471,201 |